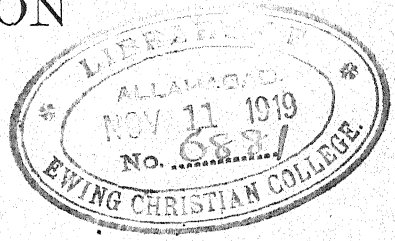


PROTECTION

TO



NATIVE INDUSTRY.

BY

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PREFACE.

PROTECTION to Native Industry is not a question of sentiment or theory, but of fact and common sense. There is no magic or mystery about it; it is an ordinary calculation of cost, in which all the conditions and figures are perfectly well known. Wages in France, Belgium, Prussia, Austria, and Switzerland, are from 30 to 50 per cent. lower than in England: rent, clothing, food, beer, taxes, and general charges are all in the same proportion: the habits of the people are economical in the extreme, the manufacturers have as much capital, science, and enterprise, and their operatives as much skill and intelligence, and technical education and industry as we have: they get their raw materials very nearly at the same price we do. The question is, Can our manufacturers, with higher wages, higher rates and taxes, higher general charges, and our operatives, with dearer food, dearer clothing, dearer house rent, and extravagant habits, produce as cheaply as they can?

A large and rapidly increasing number of those interested in our industries throughout the country, of all political opinions, say, openly and decidedly, they cannot; a still larger number agree with them; but they have not yet the pluck openly to avow it: they are unwilling to desert their leaders, and to confess their preaching has been vanity.

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It is assumed that Protection to native industry means Protection to corn: but this is not so; on the contrary, the object of those who advocate Protection to native industry is to wipe of entirely and absolutely every remaining tax on food, on raw materials of any and every description, and to substitute for it a tax on Foreign manufactured goods.

We are told the present distress is owing to the increase of population; but the increase has not been in the producing class only; the consuming class has increased quite as rapidly in proportion, probably more so, as they rear a larger proportion of their children and do not emigrate: and their wealth, which is the gauge of their consuming power, has increased far out of all proportion to the increase of the producing portion of the population. It is not that the producing class has outgrown the consuming class, but that the latter are induced to spend their money on foreign instead of home manufactures.

The remedy for the present state of things is not to export our workmen and import our manufactures; but to keep our workmen and manufacture for ourselves.

England is the only country in the world that does not in some shape or another protect native industry, and preserve a preferential market for its own operatives. Theoretically, it may be very chivalrous: practically, it is very stupid—*c'est beau, mais c'est bête*.

RAVENHEAD, ST. HELENS, LANCASHIRE, ENGLAND.
Feb. 4, 1870.

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CHAPTER I.

GROWTH OF TRADE.

NEARLY twenty years have elapsed since the discovery of gold in California and Australia, and the spread of steam communication by land and sea over the whole face of the globe, increased to an inconceivable extent the trade of the world, and equalized the trading conditions of the different nations and people that inhabit it.

Every nation, every industry received an impulse, and immensely increased its commercial focus. France, Prussia, Belgium, and Switzerland have sprung into manufacturing life. They get their raw material as cheaply as we do, and can deliver their manufactured article in London at as low a cost of carriage as Manchester or Preston, Liverpool or Glasgow.

About the same time that gold and steam revolutionized the commerce of the world, an enthusiastic band of political economists propounded a new commercial faith called Free Trade, that was to inaugurate a new era for mankind, to obliterate all national jealousies, to extend the brotherhood of nations, and to impart such blessings to the human race as it had never hitherto entered into the commercial heart to conceive.

The principles of the new faith were roughly as follows: consumers being in all cases more numerous than producers, their interests should be consulted first: all the world should buy in the cheapest, sell in the dearest market: all distinctions of home and foreign markets should be abolished: all duties and tariffs, and restrictions of any kind should be done away—the whole world was to be the market in which each nation was to meet on perfectly equal terms, and to contribute what best it could: A was to give to B what it could produce cheaper and better than B, B was to return the compliment, and so on through the whole alphabet of nations—all nations, and every body of workers were to be left entirely to their own merits to compete in the world's markets, without favor or restriction. It

was a grand ideal conception of universal fraternity: the world was to become one unselfish family; its members working together for the general good, that is the good of the consumer.

No one can doubt the conception was a grand one, that if practicable it would have advanced incalculably the prosperity of the human family. Whether it is practical is quite a different thing.

It is no use following out to their fullest extent the theories of Free Trade: theories they still are, and such probably they will remain till long after our time—it might, however, easily be proved that under the most favorable and universal conditions its blessings would not be quite equally distributed. Some nations, either from natural causes, or accidental conditions, from superior intelligence, thriftiness, capital, advantages of situation and markets would then, as they do now, get more than their fair share of the world's business; whilst others from the reverse of the above causes, might be left entirely out in the cold, and find themselves minus the trade they still enjoy; or it might easily be shown that, in a community where the producers constitute a very considerable minority, that is in a manufacturing country, it might be convenient, and even necessary for the general good of the community, that the interests of the former should be considered, though distinct and even antagonistic to those of the consumer. Free Trade means the perfectly free exchange of goods, raw and manufactured, in every part of the world, or it means nothing at all: it means that all nations and languages, all consumers and producers all over the world must agree to be guided by the same laws, and buy and sell without restriction.

These conditions are necessary to the existence of Free Trade, without them it is impossible: unfortunately they have never been tried, and most probably never will; at present at any rate they are further than ever from being carried out, Free Trade, in its true meaning, is still a point on which doctors have differed, do differ, and will continue to differ till the end of the chapter.*

We all know how sanguine patentees invariably are as to the success of their inventions; all difficulties are ignored and failure is made to appear impossible.

The Manchester School of Political Economists, as it were patented Free Trade, and so pleased were they with it

that they would admit of no adverse arguments, and insisted upon its immediate adoption.

Many doubted whether all the marvellous blessings that were promised the human race would be verified, and suggested whether before burning their boats it would not be well to inquire whether others would do the same; but they scoffed at all doubts, and so impatient were they to prove the excellence of their discovery, that they refused even to wait till other nations could be induced to try the experiment with them; so certain were they that they were right, and the rest of the world wrong, that they appeared actually glad to start alone in order that they might laugh at those nations who were more cautious or more stupid than they; but they forgot that a nation cannot try Free Trade by itself, and that by starting alone they were postponing indefinitely the realization of their hopes.

They maintained their patent was so grand, and its advantages so evident, that every nation must adopt it, and that those who did so first would be the greatest gainers: so eager were they to begin, that like most other things done in a hurry it was only half done; to try the experiment at all other nations must be found to join us; to know what the result of Free Trade actually was there must be reciprocity and Free Ports; but as no other nation joined us, we never had either one or the other: as we advanced they drew back: consequently the experiment has never been tried, and we know to-day as little of Free Trade strictly speaking as we did twenty years ago. It is amusing to hear people expatiating on the marvels of Free Trade, and on the blessings it has conferred on the human race in general, and ourselves in particular, when we remember that as yet this policy has never even been tried, that its miracles and blessings are still in the womb of the future. Free Traders renounce all logic and facts when discussing their favorite dogma; they are, indeed, the most disingenuous of arguers. I declare, that as constantly as I have heard the subject discussed, I never once heard a Free Trader have the honesty to attribute the increased trade of the world in general, and of England as part of it, to its true causes, viz., the vast increase in the circulating medium and the general application of steam, but always to what they chose to call Free Trade, to ignore these illimitable agencies, and to ascribe all progress to the pigmy efforts of a small school of Political Economists in

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England, is to reverse the old proverb and to imagine the mouse bringing forth the mountain.

The increased foreign commerce of England during the last twenty years is attributed to her Free Trade policy, and we are led by implication to understand that she is the only nation that has advanced in commercial activity during that period; that whilst she has been advancing the rest of the world has stood still.

Free Traders point with triumph to our Board of Trade returns of exports and imports, and exclaim triumphantly, this is our doing; but they ignore the fact, it cannot be through ignorance, that the Board of Trade returns in France, Switzerland, Prussia, Belgium, and Austria, show results far more satisfactory, a proportionate increase of trade far exceeding our own.

It is not England alone that has increased her trade during the last twenty years; the whole of Europe and America, with some trifling exceptions, have increased theirs far more rapidly than we have: take France, for instance, as being our nearest neighbor, and compare her wealth and commercial position now with what it was twenty years ago, and it will at once be granted that, however great may be the blessings of Free Trade, sound progress is not incompatible with the strictest protection; the bullion in the Bank of France is now in 1869 forty-seven millions—twenty-seven millions higher than it was in 1844, and sixteen millions higher than in 1853; the bullion in the Bank of England is seventeen millions—two millions higher than in 1844, three millions less than in 1853!

In France, in 1868, the exports and imports balanced within twenty millions. In England the excess of imports was over sixty millions! and in 1869 it will in all probability reach one hundred millions.

The increased commerce of the world has been caused by the increased circulation of gold and the increased facilities of communication by land and sea: it never has been and never can be affected by paltry legislation either in one direction or the other. Local legislation, like that which has made England a Free Port, may affect the trade of England, but to suppose it will materially influence the commerce of the world would be preposterous; it is only our national bumptiousness that renders the idea possible. All the nations of the world have increased their commerce, they under the strictest principle of Protection, we alone

under what we call Free Trade. To attribute our progress to Free Trade is just as absurd as to attribute theirs to Protection. It might be more fairly said we have all progressed in spite of both. Neither system has had more than an infinitesimal effect by the side of the great agencies that have brought about this result.

Do those who attribute our commercial progress to the policy of opening our ports to foreign manufactures mean to argue that if we had not done so, that if our commercial code had not been altered, and that if like the rest of Europe and America we had continued under a system of protection, that our progress would not have been commensurate with theirs? Should we alone have derived no benefit from the immense increase in the circulation of gold and in the facilities of communication? Do they mean to say that whilst all the rest of the world have gone ahead under Protection, we alone should have stood still under it? Yet such is the position of those who attribute our extended commerce to our commercial policy alone.

The commerce of the world has been incalculably extended during the last twenty years; all nations have advanced; England has advanced amongst the number; but to say she has outstripped them is untrue; compared with the position she occupied twenty years ago she has advanced least of all, she has lost the immense lead she then possessed in almost every industrial enterprise.

When we look back twenty years, and examine the position England then occupied in nearly all manufacturing industries; the exclusive advantages of capital, of energy, of manufacturing and technical knowledge she then possessed, and compare her position now, we shall see at once that many nations have advanced as rapidly again as she has—they were all hull down in the manufacturing race twenty years ago; they have steadily overhauled us; some are close under our sterns; some are alongside, and some are already showing us their sterns.

The vessels have been sailed on perfectly opposite principles: we have made England a vast Free Port: we have thrown open our home markets to the world: we have invited foreigners to compete with our own industrial population in our own markets: we have encouraged them in every possible way: removed every restriction that could possibly be considered as showing any remaining preference for our own operatives: anything the foreigners

asked, we immediately granted, even to half our manufacturing kingdom: we have steadily and conscientiously tried during the last twenty years to put the foreign manufacturers and operatives on a perfect equality with our own in our home markets, and Heaven knows we have succeeded in doing so! We proposed to put them in as good a position as our own workpeople: we have put them in a better position.

On the other hand, the whole of Europe and America have acted on the very opposite principle—they have strictly preserved a preferential labor market for their own industrial population: they have nursed and fostered and protected their native industries: they have religiously excluded equal competition in every shape, and only admit under heavy duties those articles of foreign manufacture they do not produce themselves.

No two policies can possibly have been more opposite, more antagonistic in every respect. Yet to a certain extent they have been attended with similar results: in both cases commerce has increased. We are told our progress is entirely the result of our commercial policy, and that we should not have advanced if we had continued under Protection; but it is unreasonable to ask us to believe that the commercial conditions of England are so different from those of the rest of Europe and America, that she would not have progressed under the same conditions that have been so favorable to them.

France, Belgium, Switzerland, Prussia; and America have increased materially in wealth and prosperity during the last twenty years; capital has flowed steadily and with increasing rapidity into them; new manufactures have sprung up; existing industries have increased; trade has flourished; speculation and enterprise have taken the place of apathy and want of confidence. All this has taken place under a system of rigid Protection. During the same period England, under a half-and-half system of Free Trade has also increased her commerce, but not in any degree in the same proportion. Our industries are everywhere depressed; many of them have left us, or are fast doing so; trade and manufactures that we once monopolized are springing up elsewhere under the fostering care of Protection; the confidence of our manufacturers is shaken; a spirit of discontent and uneasiness depress the operative: now, is this decline of manufacturing pros-

perity in England as compared with the increasing prosperity of manufacturing industries throughout the rest of Europe and America, a natural consequence of the spread of capital and of communication, or is it the result of our throwing open our ports to foreign competition, removing all protection from our native industries, and bringing into competition with our extravagant workmen and dear labor the cheaper products of more economical communities?

I believe both causes have tended to the result. I believe the rise of industries and manufactures in Europe and America became certain with the spread of capital and confidence. I believe it was inevitable that England should lose a portion of her manufacturing supremacy; but I am satisfied she would not have suffered so much, or lost so large a proportion of it, if her home market had been fairly and honestly preserved for her own producers. The Government legislated for England as if she was exclusively and entirely a consuming community. Everything was done to reduce the cost to the consumer; the interests of the large portion of the community who produced was forgotten. It is this extraordinary mistake that has so depressed our manufacturing industries and caused so much sorrow and discontent.

CHAPTER II.

FREE TRADE AND FREE PORTS.

ACCORDING to the first canon of Free Trade, each nation should supply to the world's market what it produces best and cheapest, and should resign to other nations those industries in which it is not so strong.

If this theory is thoroughly reasoned out, it is easy to show how difficult and perplexing it becomes. Suppose, for instance, England manufactures iron and cotton cheaper and better than any other nation, but she also manufactures silks, clocks, watches, books, fans, paper, artificial flowers, lace, &c.; but not so cheap as France, Switzerland, Belgium, Prussia, Austria; to carry out this theory, England ought to give up all these industries to those nations more expert at them, and stick to her iron and cotton. She should direct all her energies into iron and cotton, and let her other industries perish: but suppose, by any conjunction of circumstances in the course of time, other nations were to beat us in iron and cotton as they are doing in a number of other industries; to carry out our theory we should at once give up cotton and iron also. It would not be difficult to prove that when the spread of capital and science becomes more general, and the natural resources of different countries are more fully developed, there will be scarcely a single article of manufacture that will not be produced as cheap, or cheaper, by some one nation or other, as by England. If this ever takes place, even partially, is England to sacrifice her existence to her theory, and to abandon all, or a portion of her industries, because she cannot produce quite so cheaply as her neighbors? Is she to sink into the position of a manufacturing country absolutely without manufactures?

Now, according to my notion of the rules of common sense, the very reverse of this should be the case. We should recognize the fact that there are many industries in which other nations already excel us; that there are many others in which they nearly, if not quite, equal us;

but we should also recognize the fact that these industries exist amongst us and have existed perhaps for generations; that they represent the means by which a portion, large or small, of our community earn their means of livelihood; and that unless we are prepared to support them in some other way we are bound in every possible way to seek and preserve to them their present means of existence.

There is no doubt there are many articles of manufacture foreigners will produce cheaper than we can, but it is not wise or reasonable that we, as a nation, should therefore give up producing them. It is necessary for a community as crowded as ours that every industry should exist amongst us to give employment to our redundant population.

With a vast overcrowded population confined to our geographical limits by the "melancholy ocean," and unable to expand, a number of small industries are absolutely necessary to the existence of our work-people, and every industry however small becomes of vital importance. We cannot part with one of our industries or any portion of one of them, without loss to some portion of the community. The country wants new industries, more of them, more work of any and every description instead of less. We cannot afford to lose one means of employment, to allow our work-people to be thrown out of one single industry, to have their means of support taken from them in the smallest item in favor of the work-people of other nations whom superior advantages, more economical and thrifty habits, a fostering home support and artificial legislation enable to undersell them. Every class of our work-people, however small the industry in which they are engaged, form a part of our community; they are members of the body politic, and it is necessary to our national well being, that all our members should be healthy, and as few unemployed as possible; every one should have work and earn wages, and moreover, where the possibility of doing so exists, it is the duty of the Government to see that it is done. It is only in the case of absolute necessity that the interests of one class should be sacrificed to the convenience or even advantage of any other. Before suddenly and without any restriction introducing foreign competition into our markets, we ought to have carefully inquired whether we were prepared successfully to encounter it. We ought to have compared our industries one

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by one with those we intended to pit against them. When we found the result doubtful we ought to have given our own work-people the benefit of the doubt instead of the foreigner, and when we found the prospects of successful competition unsatisfactory, we should have continued our protection to them; instead of throwing our manufacturers and operatives suddenly and without preparation into a contest for their existence, we should have given them ample warning, and time to improve and economize to the utmost their products. If we allow any trade to be taken from the country we have to support those employed in it in some other way; it is far better for British consumers to pay a little more for the work of foreign operatives, than it is to be taxed to support their own at home, in idleness and want, in the poor-houses and prisons of the country.

Short work in the manufacturing districts means increased poor rates, increased idleness, drunkenness and crime, with all the corresponding costly means of repression. The indirect taxation the upper and middle classes would pay by the imposition of a moderate *ad valorem* duty on foreign manufactures, would not be felt half so much as the direct taxes now levied for Poors and Police-rates and other expenses necessitated by the increasing crime and pauperism of the country. The pauperism and crime of the country are increasing so rapidly, that we must look the difficulty in the face and try to mitigate it, or we must shut our eyes and ears and let destruction come upon us. At the rate they are now increasing this need not be very long; in the year 1853, fifteen years ago, the amount expended in actual relief of the poor was under five millions; in 1868, it was seven and-a-half millions, an increase of 50 per cent. in fifteen years. Nearly the whole of this increase and also the increase of crime has been in the manufacturing districts; in the agricultural districts they have remained nearly stationary.

English operatives by the thousand have been and are being pushed out of their home market by foreign competition, and have no others opened to them; it must soon become a question what is to be done with them. The result of our commercial legislation has been to throw them out of work; to supplant their own articles of industry by cheaper articles imported from abroad: they cannot work but they will not starve. If they think their Government

or the ruling classes have been so indifferent to their interest or so selfish as regards their own as to aid in this result, it is only natural they should look to them for some other source of livelihood. What are they prepared to do? are they prepared to support a vast portion of the operative class permanently in idleness; or are they prepared for a wholesale emigration, which would force wages still higher, and make foreign competition still more ruinous? Which is the most just, the most reasonable, the most economical, mode of procedure, to export whole classes of the best of our work-people, thus adding to the proportion of the useless and ill-conditioned left at home, raising the scale of wages, and increasing the already existing advantages of foreign nations, or to strive by moderate Customs duties to secure to the workman a certain preferential interest in his home market, and thus enable him to find work and a fair means of livelihood at home, and to take his share of the burdens and taxation of his own country instead of adding to the skill and wealth of another?

There are very few articles of English manufacture that cannot be produced cheaper in some other country. I say cheaper, not better. The English workman can and does produce the very best work, but not the cheapest. It is now a question of the cheapest work. For England, therefore, with a redundant population, no expansive capabilities, every outlet for labor overcrowded, with dear food, dear clothing, dear house-rent, a double rate of wages, an extravagant, thriftless race of workers, to challenge the rest of the world to cheap production, is simply swaggar. It is simply inviting competition in a race in which all the world knows we must be beat.

In reply to this we are told that our manufacturing industries, far from being ruined, are prosperous. It is true they are not yet ruined, but many are more depressed than they have ever before been. Very many of them are sick—very sick; far more so than those unacquainted with them have any idea of, and a few years more of such depression will see many of them *in extremis*. There are many who argue that our manufacturers would at once give up manufacturing if it did not pay; and no doubt it is a very natural assumption, that if a manufacturer continues his business it is a proof he is making money by it; but it is very often the case that he continues to manu-

facture only because he cannot afford to stop. They little know how many manufacturers continue to struggle on in business merely because they do not know how to get out of it. A man with twenty, thirty, fifty, or a hundred thousand pounds sunk in works and machinery cannot give up business without ruin. The causes that diminish the demand for his produce diminish also the value of his plant; his capital and interest are imperilled at the same time and by the same cause. It is not to be expected, it is not in the nature of Englishmen, that he should at once throw up the sponge, and declare himself beat; he will continue to tread the mill though he gets nothing for it; he will struggle on for years, losing steadily perhaps, but yet hopeful of a change. Millions of manufacturing capital are in that condition in England at present. Capitalists continue to employ their capital in manufacturing industries because it is already invested in them; but in many cases it is earning no profit, and in others diminishing year by year.

It takes some time to scatter the wealth of England. The growth of half a century of industrial success is not kicked over in a day. Moreover, it is only now, only within the last three years, that the foreign producers have acquired the skill and capital and machinery that enables them really to press us out of our own markets. The shadow has been coming over us for many years, but it is only just now we are beginning to feel the substance; their progress corresponds with our decline. A great manufacturing nation like England does not suddenly collapse and give place to another; her industries are slowly, bit by bit, replaced by those of other countries; the process is gradual, and we are undergoing it at present. The difference between England and her young manufacturing rivals is simple, but alarming. France, Austria, Prussia, Belgium, Switzerland, have increased their export trade and their home consumption; England has increased her export trade, but her home consumption has fallen away, in the matter of cotton alone, 35 per cent. in three years!*

In the present condition of manufacturing industries it is foolish to tell the operative class to attribute the pros-

* Value of home consumption of cotton goods for 1866, was nearly thirteen millions; for 1868, nearly seven millions.

perity to Free Trade; they are not prosperous; it is a mockery to tell them to thank God for a full stomach, when they are empty! they are *not* well off; never has starvation, pauperism, crime, discontent, been so plentiful in the manufacturing districts—never since England has been a manufacturing country has *every* industry great or small been so completely depressed, never has work been so impossible to find, never have the means and savings of the working classes been at so low an ebb.*

We have had periods when some two or three of the great industries were depressed, but health still remained in a number of small ones: now the depression is universal; the only industry in the country that is really flourishing is that of the machine makers, turning out spinning and weaving machinery for foreign countries! many of these works are going night and day!†

Now many persons doubt this distress, deny it altogether, and appeal to the Board of Trade returns and to the dicta of certain retired manufacturers, who, having invested the wealth acquired in former years, and being released from the anxieties and dangers of declining trade, can now, without danger, afford to indulge their commercial theories without injuring their pockets.

The manufacturing districts are depressed as they never

*“Mr. Leppoc made a painful statement at the meeting of the Manchester Board of Guardians yesterday. The amount of out-door relief is rapidly advancing, but beyond this the relieving officers have ascertained that great distress prevails amongst many families, the heads of which would rather starve than come on the rates. Mr. Leppoc made an appeal to the public of Manchester on behalf of this class of sufferers.”—*Pall Mall Gazette*, Dec. 17, 1869.

†“May I tell you one anecdote about Birmingham? There is a firm in this town who make various kinds of machinery. I happen to know that before the treaty they sold almost nothing to France; since the treaty, in the ten years, they have sold no less than £70,000 worth of machinery, a variety of machines, the particulars of which I do not know, but I know the general facts; they have seventy men at least engaged every week, and have had for years past, producing articles that are exported entirely to France. If you have the treaty abolished, what becomes of the trade? what becomes of the seventy men? what becomes of the firm?” (Mr. Bright at Birmingham, January 10th.) We might reply to Mr. Bright's queries, that the seventy men would, in all probability, be employed making machines for the English market; and we might ask in return, what becomes of the hundreds or thousands of English operatives, whose craft is injured or destroyed by the free introduction of English machinery abroad?

have been before, and any one who will visit them may see by evidence that cannot lie, by smokeless chimneys, by closed shops, by crowded poorhouses and glutted jails, by crowds of squalid idlers, that the distress is real. Take the one simple fact that the consumption of cotton goods in England has fallen off 35 per cent. in three years! Can any fact afford stronger proof of the poverty and depression of our operative classes? Cotton constitutes the greater proportion of the clothing of the lower orders; when therefore the consumption of cotton falls away it is proof positive that the working classes are taking less clothing.

Those who wish to learn the present condition of affairs must not consult the wealthy political leaders of the manufacturing districts—men who have realized their wealth, and to a great extent have converted their workshops into farms. They are land-owners, not manufacturers; consumers rather than producers, and they can afford to see trade leaving their districts without danger or alarm.

No, they must go amongst the workers, the managers, and active owners of manufactories, amongst men whose capital is still at stake, amongst the operatives, the small shopkeepers and householders who crowd the manufacturing districts. You do not hear so much of the present manufacturing depression at Manchester, where an immense proportion of the wealth is realized, invested in land or in the 3 per cents. and where the fortunate owners have abandoned the struggling existence of trade for the more brilliant life of politics. It is amongst smaller men and less fortunate districts that the real suffering and distress is witnessed—amongst the small and moderate capitalists still struggling, striving, disappointed. Manchester represents the past not the present condition of the manufacturing industries; it is in Bolton, Wigan, Stockport, Oldham, Preston, Coventry, Nottingham, Macclesfield, not in Manchester that the true tale of sorrow and ruin is heard. You must read the never-ending and still-increasing lists of failures and bankruptcies that decimate every trade and industry in the country. Never in the history of England has that portion of the commercial class that depends on home consumption and home prosperity been so depressed, despondent, and ruined! Never has home consumption been at such a low ebb in every article consumed by the working classes. It is not cotton only that is depressed;

cotton is comparatively flourishing; it is every trade and every industry that is in difficulties.

Of this universal depression of industries I have no doubt whatever; I know and feel it exists, as does every one who knows anything about the manufacturing districts. There are various reasons given for it; with some overproduction is the cause, with others, strikes, want of technical education, of taste and intelligence amongst the working classes, our carelessness, drunkenness, etc. Overproduction is not the cause; the thousand million of consumers who occupy the world did not consume less manufactured goods in 1869 than they did in 1868 or 1867, only in a great many articles England supplied less, foreign nations more. Many industries have partially left us and gone abroad.

Strikes, no doubt, have had a very injurious effect in some instances, by driving work abroad and checking the enterprise of employers at home; but the effect on the total production of the country is not sufficiently great to account for the present state of things. Drink, no doubt, is a cause of the present depression and distress: probably the greatest cause of all: upwards of one hundred million sterling is consumed annually in drink! It is this ruinous degrading extravagance that is dragging down the operative class; the craving for drink, the necessity for it, is the chief cause of the necessity for high wages and the consequent disability of English operatives to compete with foreigners in many articles of manufacture. But we are not now dealing with the cause of high wages in England, though we may do so later, we are dealing with the fact that they exist, that our operatives will not work at the wages of foreign operatives: there is a cause for this, no doubt, and eventually remedies may be discovered; but we have no time now to seek for remedies that must be the work of time: we must deal with the difficulty as it exists. Inferior intelligence and want of taste amongst our work people, are not the causes of the present depression; on the contrary, it is now well known at the South Kensington Museum that many of the most fashionable patterns in silks that come to us from abroad are the designs of English workmen; but the trade being almost dead in England, and there being neither enterprise or capital left in it, the foreign manufacturers take them over to France and Germany, and execute them there where

capital is plenty, labor cheap, and the condition of the trade hopeful and promising.

There are four fiscal conditions that appear consonant with common sense: The first is universal Free Trade, which means the removal of all trade restrictions, and the remission of all duties whatever, the perfectly free exchange of all goods and commodities all over the world. The second is Reciprocal or limited Free Trade: the exchange of commodities on an agreed and equable scale. The third, is imposing a Customs duty on all foreign manufactures for the purposes of income or of protection to native industry. The fourth is to establish Free Ports, neither to ask nor to receive any general or equable exchange of commercial facilities; but to say to the world, we will receive all you choose to send us, raw material or manufactured, without any duty or restriction whatever, notwithstanding you continue to impose heavy and prohibitory duties on our manufactured goods.

This latter policy may be of advantage to a community where a manufacturing class scarcely exists; or to a country where the manufacturing or producing class is proportionately very small as compared with the consuming class; or to some imaginary community that possesses cheaper labor, cheaper raw material, more capital, enterprise, skill, &c., than all the rest of the world besides!

It has been the making of Hamburgh, where the producing class scarcely exists: it would be of vast advantage to America, where the producing class as compared with the consuming class is proportionately very small; it has been attended with tremendous loss in England, where the producing as compared to the consuming class is proportionately larger than in any other country in the world. Say what you will, it was one of the most reckless commercial experiments ever tried, for a manufacturing nation suddenly to throw open her ports and court foreign competition without in any shape or kind securing any return.

In America the manufacturing industries are very small; the natural resources are immense; the expansive capacities of the country are illimitable; even now scarcely a tenth of it is fully populated. Millions upon millions of fertile acres are at the disposition of its inhabitants: and even if the free importation of foreign manufactures did, in some degree, depress the manufacturing population, they are so small a minority as compared to the community,

and they have such facilities for turning their energies into other channels, that the national prosperity or wealth would not in any degree suffer: land is the raw produce of America, and manufacturing farms and cities must for many years be their best trade. In Hamburgh, as I said just now, there is no producing class at all, all are traders and consumers; the interests of the consumer in every case and in every degree, preponderate over those of the producers. The only known articles of home manufacture, viz., Hamburgh sherry at 6s. a dozen, and Hamburgh champagne at 5s., are not likely to suffer much from foreign competition! In Hamburgh, therefore, the unrestricted entry of all foreign manufactures must be a blessing to all alike; it must benefit all and injure none. Now to England it is a very different thing. All the conditions that make it advisable to declare Free Ports in America and Hamburgh are reversed in England. In England the producing or manufacturing portion of the population is immense; in no community in the world are the interests of consumers and producers so equally divided; in many districts the interests of the latter even preponderate over those of the former. A greater proportion of the population of England are engaged in manufacturing pursuits than in any other country in the world.

In any consideration of this question it is most important to draw a distinct line between Free Trade in its true and extended signification, and simply declaring our own ports free: it is often sought to assume they are identical, whereas in reality nothing can be more different. It cannot be too forcibly stated, or too often repeated, that the only effect of what is called our Free Trade legislation has been to make England a vast free port, a Hamburgh on a grand scale; she is the emporium for the manufactures of the whole world; it is of importance to lay some stress on this distinction, because the prosperity of Hamburgh, resulting from her being a free port, is often advanced as an argument for our adopting a like policy. Now, from the fact that in Hamburgh there are no producers to talk of, whilst in England there is a larger proportion, as compared to the consumers, than in any other country in the world, it is evident that any argument drawn from the success of this commercial policy in Hamburgh falls to the ground when applied to England, where the conditions

and requirements of the country are not only quite different, but actually reversed.

The question of the day is not whether Free Trade is a good thing—we cannot get it on any terms do what we may; but whether it is for the advantage of all classes of the community, or even for the majority, that England should be a free port; that she should admit the manufactures of the whole world without restriction, and without limit, or whether there is not evidence that this policy will cause ruin to a very numerous portion of the community, without very much benefiting the other. The effect of throwing open our ports to foreign competition has been to make England a vast emporium of foreign goods: the surplus stocks of all countries and all industries are sent here on the chance of a market; they must be sold when they come here; if at a fair price, so much the better, if not at a loss. So much the better for the consumer it will be said; but reverse the medal, and how will this affect the producer?

At present we have neither Free Trade, or Reciprocity, or Protection. We have declared England a vast free port; we admit all foreign goods, duty free, without restriction of any kind; but the ports of the world are as tightly closed to us as ever: we have the words Free Trade constantly ringing in our ears, and paraded on every occasion, but it is only a sounding word, it has no meaning when examined by our experience; we have never tried Free Trade; we have never seen it in operation; we may picture to ourselves what it is, but we can no more really judge of it from what we have seen, than a man can judge of a horse by looking at a cow. Free Trade is a misnomer as applied to our commercial policy. You cannot designate a small part of anything by the name that is given to the whole, and you might as well call a horse's tail a horse as to designate by the grand name of Free Trade the fag end of commercial equality that now exists.

We have no more Free Trade now than we had fifty years ago; but we have Free Ports, which is quite another thing.

CHAPTER III.

CORN.

THE abolition of the Corn Laws affected directly the agricultural and indirectly the manufacturing interest.

The abolition of the duties on manufactured goods affected directly the manufacturing and indirectly the agricultural interest.

Now, after twenty years' experience, it is very amusing to look back and see how, in both cases, the results have exactly disproved the anticipations and theories of the parties most interested. The abolition of the Corn Laws, and of all Customs duties on foreign manufactures, were both carried by the manufacturing class in the teeth of the protracted opposition of the agricultural interest. The latter fancied they saw in this policy nothing short of ruin; whilst the former congratulated themselves on having secured cheap food and an extended market for their produce.

These anticipations have been exactly reversed: whilst the agricultural class are more healthy and prosperous than they have ever been before, the manufacturers and operatives are calling out that they are ruined.

It was the belief of the agricultural interest generally that Free Trade in corn would ruin both landlord and tenant, throw the land out of cultivation, and force the laboring population to emigrate. It has, on the contrary, proved to be a blessing to all concerned. It has been a decided legislative, commercial and social success, from whatever point you regard it: so great a success that no one in his senses wishes to alter it. It has kept the price of food at a very constant level; it has supplied us with what we could not possibly supply ourselves; it has removed one of the most dangerous and irritating of imposts; it has satisfied every one. The landed interest that was directly threatened, and fairly enough expected

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immediate ruin, is now by far the most prosperous interest in the country; and I doubt whether in any part of the three kingdoms any considerable number of landlords or tenants could now be rallied to the cry of Protection to Corn.

The abolition of duties on manufactured goods that more directly affected the interests of the manufacturers and operative class was carried by them with acclamation; far from anticipating ruin, they saw before them a golden future that was to add immeasurably to their wealth and happiness. They have been wofully disappointed; and there is scarcely a manufacturing interest in the country at this present moment that would not hail with enthusiasm a return to Protection to native industries.

It is not very easy to show why the agricultural interest has not suffered as was anticipated, but it is very easy to show why the glorious expectations of those who promoted Free Trade in manufactures have resulted in bitter disappointment.

Free Trade in goods was understood by its promoters to mean not only the free admission of foreign manufactured goods into this country, but also the free admission of English manufactured goods into the markets of the world. Now this latter and most important part of the arrangement has never been carried out. We admit foreign goods duty free into English ports, but in no single case are English goods admitted duty free in Foreign ports. Now this was the only part of the arrangement that could possibly be to the benefit of the British producer. No man in his senses ever expected that the British manufacturer and operative would be enriched by admitting into his market foreign and cheaper manufactures. This could not in any possible way benefit him; but many looked forward with the most brilliant anticipations to the result of opening all the ports of the world to our manufactures.

In so recklessly throwing open our ports to foreign manufacturers without any reciprocity from other nations we have what is vulgarly called taken hold of the dirty end of the stick; we paid, as it were, our money in anticipation of the delivery of the goods, and the goods have never been delivered—the transaction has resulted in an immense entry on the debit without any corresponding entry on the credit side of the account.

It would almost appear that the abolition of all import duties on food in general, and corn in particular, is necessary to the prosperity, even to the existence of the community. I believe it is as necessary to our prosperity that we should have Free Trade in corn, as that we should have protection to native industry.

So great and so evident have been the success and blessings of removing all duties on corn and meat, that the effort of every one should be directed to removing all remaining duties on other articles of food, that next to bread and meat are the greatest blessings to mankind.

Is it not absurd, and stupid, and irritating to the working classes to admit duty free all they produce, to tax all they consume; to admit duty free, clocks, watches, silk, paper, gloves, glass, ribbons, hats, boots, shoes, millinery, the finer kind of cotton goods, and linen, and scores of other industries, and to continue a heavy tax on cocoa, coffee, sugar, tea and tobacco?

The operative class are the largest consumers of cocoa, tea, coffee, sugar and tobacco; and they are the actual producers of all the articles of foreign manufacture that are admitted duty free into our markets.

The present state of affairs hits them doubly hard, they suffer both ways; the value of their wages is diminished by the amount of the Customs duty charged on the necessary articles of food they consume; and the amount of their wages is reduced by the free admission of foreign articles of manufacture to compete with those they produce.

If we are to have Customs duties at all, whether is it most reasonable, to tax wine, silks, and all other luxuries of the rich; or tea, sugar, coffee, cocoa, and tobacco, the actual necessities of the poor?

The consumption of the articles of foreign manufacture admitted free is confined *entirely* to the rich, the consumption of the necessities that are still taxed is confined very much to the poor. I cannot doubt myself, that in remitting our Customs duties we began at the wrong end; the necessary articles of consumption, such as tea and coffee, sugar, &c, ought to have been reduced before pure articles of luxury, such as wine and silks; it looks too much as if the interests of the poor had been neglected in favor of the convenience of the rich.

Figures are not necessary to prove that the manufacturing interest is depressed and the agricultural interest pros-

perous; universal testimony, our own conviction and experience, what we see and hear every day of our lives, in all places, and in all societies, are more convincing than any array of figures.

If you visit a manufacturing community once rich, prosperous, hopeful, and find in its place poverty, depression, and despair, and hear from all you meet and speak to, from operatives, from employers, from tradesmen, country bankers, &c. &c., that trade is bad and getting worse, you do not want the additional evidence of figures to prove it; in the same way if you find agriculture everywhere prosperous, landlords and tenants all contented and hopeful, and confident, you do not want any statistics to prove what is evident without them.

The landed interest is the most prosperous interest in the country at this present moment, and every landlord and tenant is aware of it; and the Tory party would indeed be stupid if they now attempted to revive the cry of Protection to corn: I do not believe there are a dozen fanatics in the country who desire it.

Except in theory, Protection to corn and Protection to native industry have nothing whatever to do with each other, and those who maintain that the logical corollary of returning to Protection to native industries is to return to Protection to corn, are the most illogical of reasoners.

If we were still reasoning on Free Trade and Protection as a theory, as we were twenty years ago, there might be some force in their argument; but we have long done with theory: we are now in a position to act on the practice and experience of twenty years: we have tried the abolition of the Corn laws, and we have found it a complete success, admirable, excellent, necessary: we have tried the abolition of duties on foreign manufactures, and we have found it a very doubtful blessing indeed. Is there any logic or even sense in cancelling the former, which has proved a great success, *because* the latter has proved a comparative failure?

In many ways the free admission of corn and the free admission of foreign manufactures are as much opposed to each other as any two social or commercial questions can be; whatever they may be in theory, in practice they have proved themselves actually and positively antagonistic: the greatest blessings a nation can enjoy are plenty of

food and plenty of work : the free admission of corn has increased the former, the free admission of foreign manufactures has diminished the latter : what connection therefore is there between them but that which exists between want and plenty, work and idleness ?

CHAPTER IV.

SPECIAL INTERESTS.

MY belief is that the special interests of the manufacturing and operative classes, more especially of those engaged in the production of articles of luxury of all kinds and in the innumerable small industries of the country have suffered from the result of making England a Free Port. They have suffered by loss of demand, by work which would have come to them going elsewhere, and they have the prospect, almost the certainty, that if things progress in the present groove, they will suffer still more; but we are told there should be no special interests; that no class of the community can have special interests without injuring some other class; that what is good for one must be good for all, or, if this is not the case, it ought to be. Theoretically, it is so, and I have always observed that a man who wishes to be thought more enlightened than his neighbor, and able to see further into a brick wall, generally prefers theory to practice or experience. But the upper and middle class have special interests too; they have a special interest in buying clarets and silks, and gloves and fans and boots, and velvets and millinery, and a score of articles of luxury and comfort, cheaper than they could buy them if England were not a Free Port: they have their special interests, which are to buy as cheap as they can, below cost price if possible, and this is evidently opposed to the special interests of the operative class; but the truth is, the whole community is made up of special interests; each class has its special interests, and these interests are often antagonistic to the special interests of other classes in the community; the special interests of some classes are however more urgent than those of others; for instance, the fever patient has a special interest in quinine, the gourmet has a special interest in truffles; but these special interests cannot be considered of equal importance; the gourmet can

live without truffles, but the fever patient may die without quinine.

It is the same with our own industries. The upper and middle-class consumers have a special interest in getting their luxuries cheap, as cheap as they possibly can, irrespective of the interest of the producer. The producers have a special interest in having a remunerative market for their produce; but you cannot compare the magnitude of those two interests. It is a matter of convenience and luxury to the former, of actual existence to the latter.

The object of good government should be to adjust all the special interests of the several and antagonistic classes of the community, not favoring any one too much, and avoiding any policy that can be construed by any class as an injury to their interests.

When any special interest claims the exceptional consideration of the State, it becomes a question whether the demand for consideration is urgent, and whether it can be granted without injury or injustice to any other class in the community. The manufacturing industries of the country are now demanding the exceptional consideration of the State. Is their necessity urgent, and can assistance be granted without injuring any other class in the community? The manufacturing class ask to have their industries, their means of existence, preserved to them. The rich and consuming class ask to have their luxuries cheapened. Now, certainly bread and cheese are of more importance to a poor man than turtle and venison to a rich one!

In considering the effect of making England a Free Port, it is most important to examine and to weigh well how it affect the special interests of the different orders and classes of the community. It has been by no means general in its effect. To some classes it has been a great convenience, to others a source of great wealth, to others again a source of danger and prospective ruin.

The admission of foreign manufactures into our markets has been a great convenience and economy to the upper and middle classes, to the rich, and to those who enjoy fixed or professional incomes, or incomes from land; to all of them it is a decided gain; they get more for their money, their luxuries are all cheapened, and they have greater facilities for indulging in foreign tastes and fashions. The upper class, and those with fixed or professional in-

comes, profit by it considerably ; but the class that profits by it most of all is the commercial class—the great bankers, merchants, and brokers of the country ; to them it has been the source of immense wealth. England has become a vast emporium for foreign goods and manufactures of all sorts of kinds and descriptions ; English merchants are, in fact, the bankers and brokers of the goods of the whole world. Countless millions of produce and manufactures pass through their hands, and as every item leaves some trifle behind, their business is most lucrative. An English merchant gets an order for silks, or cottons, or clocks or watches, or the finer description of cottons and linens for the East Indies or China, or North or South America, or Turkey, or any part of the world ; it is perfectly immaterial to him whether the article he supplies has been manufactured in Manchester or Rouen, Coventry or Lyons ; it does not signify the least to him whether it is British or foreign manufacture so long as he gets his percentage.

So long as merchants can buy foreign articles in England cheaper than British, they are quite indifferent as to the means by which this result is attained, whether by fair competition or by a crafty and unjust manipulation of markets ; they have nothing to do with the stoppage of mills and the ruin of manufacturers and operatives ; their business is simply to buy and sell ; to buy as cheap and sell as dear as they can ; their profit is what they look to, and that only ; and they are quite right ; it is not their business to look after the interests of the British producer, and it would be the height of sentimentality for them to favor British products at the expense of their own pockets. They work our commercial code to the best advantage to themselves and leave others—the manufacturers and operatives—to do likewise, and look to their own interests. To the manufacturers, the operatives, the small traders, and householders who throng the manufacturing districts, this admission of foreign goods duty free is quite a different thing ; they cannot gain by it, and must lose. But even the manufacturing community are not all equally affected by this legislation ; to the rich manufacturer it is simply a question of profit and loss—whether he makes money or loses it, and he deliberates whether he shall continue to employ his capital in a business that does not pay, or whether, indeed, he shall not remove it to some other country where labor is cheaper, the conditions for cheap

production are more favorable, and where the Government will protect his industry, and have a regard to vested interests.

Those unacquainted with manufacturing industries can have no idea of the strength and number of the temptations that already exist to induce the English manufacturer to remove his capital and enterprise to Prussia, Austria, France or Belgium. Some have already done so, and if the present condition of affairs continues many more will do so;* it will become a necessity of their existence; they will then have two markets to manipulate—the English where they are admitted duty free; and their own foreign market where they are protected.

At present emigration is confined to the operative class; but there is another emigration that is threatened that will be far more ruinous in its effects, viz., an emigration of capital and manufacturers; what can the British operative do if his employer and his capital disappear together?

The rich manufacturer is not at once ruined by foreign competition, though many a smaller one is, he simply loses his profit and occupation; the shoe does not pinch him so immediately, or so severely as it does the operatives, the small shopkeepers and householders of the manufacturing districts; to them, as I said before, it is not merely a question of profit and loss; take away their work, let the supply of the article they produce come from elsewhere, and their occupation is gone; their bread is taken from them; it is not a question with them of other investments, or removing their capital elsewhere, their craft is their capital; take away one, and the other goes with it; if they have no work, they must starve or leave the country.

The remission of all duties on foreign manufactured goods therefore stands thus: it is convenient and agreea-

* There is some little difficulty in reconciling the conflicting statements of those manufacturers who have started factories abroad: for instance, Mr. Mundella, M. P. for Nottingham, has on two separate occasions elicited cheers by most conflicting statements at the Educational Conference, held at Manchester, January 18, 1868. He said that "his firm employed 700 people in Saxony, and that they could all read and write." (Loud cheers.) A few weeks ago he stated that only 5 per cent. of his work was done in Saxony—95 per cent. in England. (Loud cheers.) It becomes a simple rule of three sum: if it takes 700 people to do 5 per cent of his work, how many will it take to do 95 per cent.? Answer—13,300!

ble, and an actual source of economy to the rich, and those with fixed and professional incomes; it has been a source of wealth to the commercial class, the bankers, brokers, merchants, and shipowners of the country; it has caused great depression, and threatens absolute ruin in many of our industries, to the operatives, and the small householders, and tradesmen of the manufacturing districts. I do not mention the agricultural population, because all our manufactured imports are essentially luxuries; and as the agricultural population do not deal much in such articles as French wines, or silks, or gloves, or millinery, the price does not much affect them.

In a rough way it may be said that the result of making England a Free Port has been of advantage, and is a convenience to all classes of the community, except the manufacturing and operative class and their entourage.

The questions of course are, can we afford to disregard the welfare of the manufacturing and operative classes? Has their interest been unfairly sacrificed to that of other classes in the community? Is their distress real and urgent? Would protection to their industries relieve them without inflicting injury on others?

Which should the Government consider first, the convenience of the rich and those with fixed and professional incomes, and the profits of the commercial class; or the actual exigencies and existence of the operative class?

It is, no doubt, more agreeable and more convenient for materfamilias to buy her silks and satins, watches and gloves, five or ten per cent. cheaper than she could if they were English; and it is far more profitable to the great merchants and brokers of the country to get a percentage on the manipulation of a larger amount of British and foreign goods together, than on a smaller amount of English goods alone. But should these questions of comfort, convenience, luxury, and profit to a comparatively wealthy portion of the community outweigh the actual question of existence to a more numerous and much poorer class? I think not; I maintain that the operative class, employed in any industry, have a right to the protection of the State if they can prove they cannot compete on equal terms with the foreigner; and that it is unjust in the extreme to sacrifice their existence to theory, or to the interests of other classes in the community.

CHAPTER V.

PRODUCER AND CONSUMER.

IN every community the numbers of the consumers very much exceed that of the producers; in some the proportion is greater than in others; their interests are everywhere and in all cases the same; it is to get the best possible article at the lowest possible price. They have no direct interest in any operative community whatever; no reason to buy from the English if the French, or Belgian, or German can supply the same article as good and as cheap. It is one of the canons of Free Trade that the good of the many should be preferred to the good of the few; that the consumers being more numerous than the producers, their interest should be considered first. This is true up to a certain point, but no further; it is like many other matters, a question of comparison. If it were a question whether some particular legislation would benefit the consumers to a considerable extent, and injure the producers to a trifling extent, there would be no doubt about its being a wise and politic act; or it might be absolutely necessary for the good of the community that the interests of the producer should be sacrificed for the benefit of the consumer; but when it comes to be a question whether it is wise or just that the special interests of the consumer should be advanced at the expense of the special interests of the producer, it immediately becomes a question of degree: what is the relative interest in the community as represented by the consumer and the producer? Of course the consumers are more numerous in this country than the producers; it is the universal condition of society; but still there is no community existing, or that ever has existed, in which the relative proportions so nearly approximate. It becomes a question, then, to what extent it is just to make the producer suffer for the *convenience*, for it does not amount to more, of the consumer? to what extent is it wise or just that the consumers of luxuries, of French watches and clocks, of lace

and millinery, of silks and satins, should profit by the loss of the numerous producers employed in these industries in England? The result of our present commercial policy is that the consumers have got all the sweets of Free Trade, the producers all the bitters; the consumers have all the advantages that could possibly accrue from the most perfect and universal Free Trade; there is not the shadow of a shade of restriction of any sort or kind to prevent their being supplied with anything they require as cheaply as the world can produce it; while the producers are hampered by all the restriction that can exist under the most complete system of Protection. Our present policy is Free Trade for the consumers, Protection for the producers; not, however, protection for our own against foreign industry, but Protection of foreign industry against our own. The object of Free Trade is to give the consumer an extensive supply of everything he consumes, the producer an extended market for all he produces; our half measure has secured the former completely, but has entirely failed in securing a shadow of the latter. Far from having secured any new markets for our producers abroad, we have suffered them to be largely supplanted in the market they possessed at home.

But there is another view of the question. Producers are also very large consumers; and any legislation that injures the former very much affects the latter also. I should say almost the largest and most steady consumers of England are the producers, the manufacturers, the operatives, and small tradesmen and householders, and the vast population that crowds the manufacturing districts. All of them are excellent consumers when their industries are prosperous, but they cannot consume when they are out of work, and have no money in their pockets to spend. These classes are not only very considerable consumers, but they are especially consumers of home products and manufactures. All their money is spent on home-made articles, none of it in foreign luxuries; their earnings are spent on essentially English articles of manufacture—English boots and shoes, English clocks and watches, English cotton and linen, ribbons, blankets, flannel, stockings, fustian, hats and bonnets, &c. &c.; probably they never expend a shilling on any article of foreign manufacture. The number and capacity of this class, as consumers, is directly affected by their condition as producers,

and the same act of legislation that lessens their power or inducement to produce, lessens their power and inducement to consume.

The very reverse is the case with the upper and middle class consumers; their money is chiefly expended on foreign manufactured goods, not British. The wealthy class, noblemen, bankers, merchants, manufacturers, who increase their expenditure, spend their surplus wealth on wine, pictures, clocks, silks, satin, and articles of foreign luxury chiefly, they spend hardly anything on British manufactures; to speak roughly nearly every manufacturing industry in England might shut up, cease to exist, and the rich and middle class consumers, those with fixed incomes in fact, would still be supplied with everything they require from abroad with very little additional cost.

The result of making England a vast Free Port, and increasing the consumption of foreign articles of manufacture at the expense of our own, has been to weaken very much the tie that should connect the two great divisions of our community, the rich consumer and the poor producer.

A very large proportion of our consumers are entirely independent of our producers; they consume comparatively nothing that is English, and hardly know what we produce. To a very considerable extent the consumers of England are independent of the producers. Now this is a great national misfortune, it causes irritation, jealousy, and a very dangerous feeling of envy and discontent on the one side, and of selfishness and indifference on the other.

It is not a vital question to the wealthy consumer that the silk mills and various industrial works all over the country are closing, and the workpeople thrown out of employment; beyond the increase of his poor rates and police rates, and his sympathy with distress, it does not affect him at all—he buys foreign silks. On the other hand it is irritating to the operative classes to see the rich increasing their wealth and their luxury, and their consumption of articles of foreign manufacture, without in any degree sharing in this prosperity.

It would be much better for the community if sufficient inducement existed for the rich and dispendious classes to expend their surplus wealth on articles of home rather than on those of foreign production; the effect of the

commercial legislation of the past twenty years has been all in favor of the consumer of luxuries, and against the producer of them; it has been to make the rich richer and the poor poorer; to widen the gulf between Dives and Lazarus, which it ought to be the object of all legislation to lessen. It is a most dangerous condition of society where the rich and poor, instead of being drawn together by mutual interests, are getting more and more separated by opposing ones.

As an Irishman observed at the last election, "Absentees are the curse of Ireland: sure the whole country's full of them!" the curse of Absenteeism is that the money drawn from the country is expended away from it: the result of making England a Free Port, and encouraging the foreign producer to flood her markets has exactly the same effect on the manufacturing population of England as Absenteeism has upon the agricultural population of Ireland. English money is expended yearly in greatly increasing quantities in articles of foreign manufacture. Every year larger and larger sums are withdrawn from England and go direct into the pocket of the foreign producer, manufacturers and operatives: this is not a satisfactory state of things. If foreign money flowed in to replace it—if English manufactured goods in at all equal quantities were admitted into foreign countries, it would be all right, we should then have Free Trade, but they are not; they are either strictly prohibited or weighted with an *ad valorem* duty that actually comes to the same thing.

England is taxed higher per head than any other European country: and every article we manufacture bears some proportion of this taxation. The rates that a manufacturer has to pay on his works is a standing charge on his expenses of manufacturing: it must be added to the cost of his goods, and must of course make them more expensive. If the rates and taxes of a mill are, say £500 a-year in England, and only £100 a-year in Germany or France—the French or German manufacturer has a clear and distinct advantage over the British manufacturer to the extent of £400 a-year; but in addition to rates and taxes being lower on the Continent of Europe than in England, *all* the other standing charges, rent, salaries, repairs, are so too.

The manufacturers of other countries less highly taxed have a decided and evident advantage over ours: when we

admit their manufactured goods duty free, we admit goods less highly taxed for public necessities, on an equality with our more highly taxed goods: but the result of the necessities of our taxation, which throw an additional cost on our manufactures, should not be visited on the manufacturer or the operative. The Government or the Public have at any time, a perfect right to say to the producer, your goods and work are too dear, and therefore we must admit the foreigner to compete with you; but the English producer, on the other hand, may with perfect truth reply, admit the foreigner, if you please; but at any rate put him on an equality with us, and charge him with a duty equal to the rate of taxation you compel us to pay for the public good.

To the extent that the rate of taxation and other standing charges in England, which the manufacturer cannot escape, and which increase the cost of his work, exceed those of other countries, to that extent our producers ought to be protected. I think common sense should decide this.

This taxation is a burden put on them for the public good; they cannot in any degree control it, and if it adds to the cost of their goods, the public have no right to reproach them with it. On the contrary, they should try to protect them as far as possible from any evil effect resulting from a condition of affairs over which they have no control whatever.

The taxation of the State is to a very considerable extent, it may be said entirely, a fixed sum; the greater therefore the area on which this taxation is raised the less of course is the strain experienced on any portion of it: now this applies especially to our manufactures; the more extended their area, the greater their production, the more diverse their products, the less the imposts of taxation are felt, and the less they in any degree advance the price of any article of industry.

The way to make our heavy taxation fall more lightly on the producing class is to put them in a position to produce more largely: we must encourage, protect their industries as far as the interest of the consuming class will permit. The greatest benefactor to the community is the man who makes work, who gives employment, who promotes industries: the most beneficent Government, the Government most deserving of the affection and support

of the people, is the one that studies in every way to promote the industries of the country, to make work flourish and increase employment. This is the first and greatest of all commandments. Promote the comfort and welfare of your own people first of all; they look to you; they cannot help themselves. Let other Governments look after the interests of their own people: they do so with a vengeance; our charity should begin at home. In such a cause even artificial means are allowable; the result will always justify the means.

England, with her enormous debt, her high taxation, her overcrowded population, her extravagant habits and customs, is not in a natural state, but essentially an artificial one. To meet this we have to raise an artificial income: to do so we require artificial assistance. We have to pay yearly a sum of $26\frac{1}{2}$ millions as interest on our debt. To that extent the past have burdened the present generation. It is very heavy, very irritating, considering how much of the money was squandered and wasted. We may grumble as we like, but still we must pay; we cannot repudiate; it is a debt of honor; and if for no higher motives than our national credit, to retain the confidence of the world and enable us to borrow again, if necessary, we must pay; but still $26\frac{1}{2}$ millions is a very heavy sum, and the proportion of the amount that directly and indirectly comes on our manufactured goods is considerable; to the extent to which our National Debt exceeds the National Debt of other producing countries, to that extent our manufactures are unfairly weighted and ought to be protected by the community with whom they suffer. But besides national considerations, there are other causes that weigh us down and bring us unfairly in the competition of nations: not only are our rates and taxes and other standing charges higher, but our working expenses also—house-rent, food, clothing, salaries, wages—are all higher. Our requirements are in every way more expensive, our habits more wasteful, our workpeople more extravagant and more independent of their employers. All these points are so many feathers in the weight. There are a good many of them; and, as we know, it is the last feather that does the mischief.

The extra feathers of rent, of food, of national expenditure, of extravagance, may be light if taken singly, but they mount up when taken together, and form a very con-

siderable load; and that load is extra to the load carried by foreign manufacturers and operatives; it is weight we give them in the international race. It is a fine, plucky thing to give weight and win the race: general approval and admiration are the reward; but it is a stupid thing, even ridiculous, to give away weight unnecessarily, and then lose the race. No credit is attached to defeat, however hard you strive: it is considered a proper reward for "bounce." Yet this is what we have done. We have unnecessarily, foolishly, bumptiously given away weight because we considered ourselves so much better than our opponents. The whole producing world looks on with surprise and glee at the sight of the greatest manufacturing nation in the world wilfully committing suicide. They do not disguise their feelings of complacency. Manufacturers all over the world are congratulating each other, and laughing at us. Not one single nation or community is attempting to follow our example: on the contrary, they are taking warning by it; they all foretell the downfall of our manufacturing industries: now, which is most probable, that all the world is wrong, or that a small school of English Political Economists is right?

CHAPTER VI.

UNFAIR COMPETITION.

For all manufacturing purposes England is now only a department of Europe: all nations are allowed to import their goods duty free, and she is therefore compelled to sell her own at any price foreigners may choose to take for theirs. She is no more independent of the rest of Europe as respects the price she can obtain for her goods than Lancashire is of Yorkshire, or London of Manchester. She ought therefore to be placed on an exact equality with other nations against whom she is to compete; any special advantages other nations may possess over her, or any special disadvantage she may be suffering under, as respects them, places her in an unfair position.

I have several times used the expression "unfair" competition of the foreigner, and it is a term strictly deserved in many of their trades. Those who are unaccustomed to business do not realize the dangerous power the present state of our commercial policy gives to the foreign producers to harass, even to destroy, several of our native industries.

It is one of the first axioms of manufacturing industry that the more you can extend your production with the same plant, the cheaper will be the cost of the article you produce; this is owing to wear and tear of machinery and buildings, cost of management, and other standing charges being spread over a greater surface of products; all manufacturers therefore try to extend their production as much as possible, and they will sell their increased make at cost price, or even at a small loss, if their larger quantity enables them to reduce the average cost of the whole quantity they produce.

The position of the foreign manufacturer with his own market closely protected, and the English market entirely free, gives him an opportunity of carrying out this principle to the danger and disadvantage of the British manufacturer that he takes good care to push to the utmost

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suppose British and foreign manufacturers both produce an article that must be sold for an average price of $2d$ per pound or $2d$ per yard to yield a fair profit; the English market being open to all, the foreigner has his own and the British market to work in; whilst the British manufacturer being prohibited or heavily taxed in all foreign markets is confined to his own. The foreigner extends his production to the utmost, and, being protected at home, he easily arranges with his brother manufacturers to maintain a price that will give him $2\frac{1}{2}d$ a yard or pound in his own market; but $2d$ is a paying average, and therefore if he can manage to sell half his make for $2\frac{1}{2}d$ at home he can afford to sell the other half for $1\frac{1}{2}d$ in England, and still maintain an average of $2d$ over his whole make. Now the English manufacturer being excluded from the foreign market where the price is maintained at $2\frac{1}{2}d$, and having only his own market open to him, is obliged to sell the whole of his produce at $1\frac{1}{2}d$, the cost at which artificial legislation enables the foreigner to dispose of a portion of his make in this country.

Now this applies to almost every article of foreign manufacture that is sold in this country; there is scarcely one that is not very frequently sold at a lower price in England than in the country where it is manufactured; when their home demand is good they naturally sell more in their own dear market than in our cheap one, and we see less of their goods; but the moment their own demand slackens, their surplus goods are turned into our market to be sold at any price they will fetch. The English producer does not share in any degree whatever in improving trade on the Continent; he is not admitted to it; but the foreign producer partakes equally with our own in any rise in the English markets; moreover, the power they possess at any moment to swamp our markets acts very injuriously on the British manufacturer; no calculation will enable him to foretell prices and so regulate the amount of his production, when at any moment, without any warning, all his calculations may be upset by increased foreign importation; this very much interferes with steady production; the amount of the importation of foreign manufactured goods is regulated by two causes: a rise of price in our market, a fall in price in theirs; and it is unfair and injurious to the British manufacturer to be placed so completely at the

mercy of the foreigner. The fact of the English market being open to the foreign manufacturer at all times, and under any conditions, is a standing inducement to him to extend his production as much as possible; he can always send his surplus goods over here, where, if sold cheap enough, they are sure to find a market, by replacing British goods, both for home consumption and exportation; the danger English manufacturers and operatives are exposed to in this matter cannot be over-stated; it is in the power of foreign manufacturers, by combination and a very simple manipulation of prices, obtaining in their own and our markets, to swamp for the time any English industry they may choose, and compel them to sell without profit, or even below cost; and against this the English manufacturer is perfectly helpless. Foreign manufacturers understand and practise trade combination far more extensively and successfully than we do. Already many of their largest industries are combined, and act together with great discipline and unanimity. It is very easy to see how this danger might become most imminent. America, for instance, notwithstanding her enormous customs duties, consumes immense quantities of European manufactures, but as she regularly increases these duties, and will continue to do so, the natural conclusion is that she will soon begin to supply herself, and the consumption of European articles of manufacture will fall off. The foreign manufacturers, who have calculated on this consumption, and extended their operations to meet it, will therefore begin to stock; or they must sell somewhere else; they will not, however, break through their good remunerative prices at home: they will not compete with each other in their home market, but they will pour all their surplus goods into our markets to compete with our industries.

This is true of almost every article of foreign manufacture that comes to this country. England is the emporium of the world; the only limit to the amount of foreign goods sent here is the demand for them at home. Foreign manufacturers feed their own dear markets first, and send their surplus to us: the advantage to the foreign manufacturer and operative in having a vast Free Port like England to which to ship their surplus goods is enormous. They may not sell their goods at a profit, they may even sell them at a loss, but they compel us to sell at a loss

also; and whereas their loss is only on a portion of their make, ours is on the whole of it.

Now as a matter of justice, or common sense, is it fair that English manufacturers and operatives should be exposed to an attack against which they are utterly and entirely helpless?

Take glass for instance, one third of all the glass consumed in England comes from France, Belgium, and Prussia, whilst not one foot or ounce of English glass is admitted into those countries. This is not because foreign glass is better, or the facilities for producing it greater in those countries than in England; on the contrary, many kinds of English glass are better than foreign glass, and England possesses as great facilities for the production of cheap glass as any continental country. How is it then that the foreigners monopolize one-third of the total glass consumed in this country? They do not this by fair upright competition, but by the very means I have just been explaining. The English can produce their glass as cheap, or very nearly so, as the French, Belgians, or Prussians; but these nations having a closed market at home, where all competition is excluded, and where they make a very large profit on the larger portion of their make, are enabled to sell the remainder in England at a price fifteen or twenty per cent. lower than they are getting in their own country; but the two prices taken together will still yield a good average on their whole production.

The English glass manufacturers are able and willing to sell at the same average prices as the foreigner, but they have no chance of doing so; they are excluded from the dearer market abroad, and confined entirely to the cheaper market at home.

Now of course this way of cheapening production is hailed with glee by enthusiastic Free Traders, as tending to the advantage of the consumer: buy at the lowest price is their motto, below cost if possible, and never mind how it is done; but this is neither wise nor honest. It is not wise to allow any portion of our producing community to be unfairly depressed, and it is not honest to encourage a state of affairs that is manifestly fraudulent.

When foreign glass is sold at a depreciated rate in the English market, it not only replaces British glass for home consumption, but also for exportation. Exporters to foreign countries naturally buy the cheapest articles they

can; if foreign glass is cheaper than British, they buy it in preference. They, of course, do not care that it is unfairly depreciated; and is unfairly competing with British glass.

Seven or eight representations have been made to the Board of Trade and the Foreign Office on this subject; every Minister has acknowledged that it is a gross injustice to the British manufacturer, and have made representations to foreign governments on the subject; but of course without effect. A deputation at length went to Paris to see M. Rouher, the French Minister of the Board of Trade, requesting that English glass might be admitted into France duty free, and pointing out the unfair position in which the British manufacturers are placed. M. Rouher, with great candor, acknowledged the truth of their representations, but he declined to lower the duty on British glass, on the ground that it would interfere with the interest of the French manufacturers and operatives. Have not the British manufacturers and operatives as much right to the consideration and protection of their own Government as their foreign competitors have to theirs? I merely mention glass as an example of the present unfair competition to which the English manufacturer is exposed; but what is done in glass is done in nearly every trade and industry in the country. And what remedy has the British manufacturer? If he could retaliate on the foreign markets, he might restore prices to their proper level; but as he cannot, he must sit still and see his own trade taken from him by a policy as suicidal, and stupid, and unfair to the working classes as it is possible for the mind of man to conceive. As foreign nations increase their production of manufactured goods this danger will gradually increase.

If it was a question that could be decided by justice or common sense, no doubt it would soon be remedied; but unfortunately, justice and common sense are not permitted in any discussion on the sacred principles of our commercial faith. We are handed over body and soul to the new creed; we must swallow every dogma of it even to the dregs; if it kills, so much the worse for us; we may be ruined, but the theory still remains beautiful for ever. There is but one step from the sublime to the ridiculous—from the promises of Free Trade to its results.

CHAPTER VII.

LABOR.

OWING to custom, education, habit of life, climate, national peculiarities, cheaper lodgings and food, and other causes, the Belgian, French, German, and Swiss operatives can work and do well, educate their children, and live altogether respectably and contented, at wages varying from 30 to 50 per cent. below those required by the English operative.

This applies to nearly all our industries, more especially to those requiring long hours, patience, and industry, rather than to those requiring great physical exertion.

For instance, the proportionate difference in wages between Continental Europe and ourselves is more observable in watchmaking, spinning, weaving, paper-making, cabinet-making, millinery, lace, gloves, boots, shoes, &c. &c., in the fabrication of luxuries of all kinds, than in iron working, mining, engineering, and other laborious trades and occupations.

Now there is no mistake on this point whatever. In nineteen out of twenty manufacturing industries the German, French, Swiss, and Belgian operative will work cheerfully at a rate of wages varying from 30 to 50 per cent. below that required by the British operative in similar employments.

The question of the comparative scale of wages in England and on the Continent has been very clearly illustrated since these pages were written, by the very startling memorial of the Bradford Chamber of Commerce to the Foreign Office and Board of Trade, reported in the "Times" of the 13th ult.; and by a most interesting little work just published by Mr. James Samuelson, called "The German Working Man," and which every one who takes an interest in this subject should read. It appears by the former that the earnings of a weaver at Roubaix, in France, are from 2 francs to 2½ francs per day of 12 hours, or 10s to 12s per week of 72 hours; whilst they are from

15s to 20s for 60 hours' work at Bradford. The shuttles move as rapidly at Roubaix as they do at Bradford, consequently each weaver ought to do 20 per cent. more work at Roubaix than at Bradford. Mr. James Samuelson goes more closely into the subject, and gives a comparative statement of wages in England, Elberfeld, Munich, Zurich, and Glarus, which I have taken the liberty of copying:—

COMPARATIVE STATEMENT OF WAGES, AND COST OF LIVING FOR ARTISANS.

	In England.	In El- berfeld.	In Munich.	In Zurich.	In Glarus.	Remarks.
Average daily wages of a	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	
Mason.....	5 6	3 0	2 0	2 0	—	The working day abroad is 12 working hours; in England the average is 10½ hours.
Bricklayer	5 6	3 0	2 0	2 0	—	
Cabinet-maker.....	4 8	2 2	1 8	2 0	—	
Upholsterer.....	5 0	3 6	—	—	—	
Weaver.....	3 6	3 0	—	—	—	
Locksmith	4 8	—	2 1	—	—	
Spinner.....	4 0	2 10	—	2 0	2 0	At Glarus the spinners usually farm a little land and breed pigs.
Average cost of—						
Bread (usually eaten)						
per lb.	2 <i>d</i>	1 <i>d</i>	1 <i>d</i>	1½ <i>d</i>	2 <i>d</i>	In Switzerland education may be considered free, and the charge elsewhere is very trifling.
Meat “ “ per lb.	6 <i>d</i> to 9 <i>d</i>	6 <i>d</i> * 8 <i>d</i> to 9 <i>d</i> †		{ Beef, 6 <i>d</i> } { Veal, 7½ <i>d</i> } { 1 <i>d</i> or ½ pint } { of wine 1½ <i>d</i> }	6 <i>d</i>	
Good beer per quart.	5 <i>d</i>	1 <i>d</i>	1 <i>d</i>	4 <i>s</i> 2 <i>d</i>	1 <i>d</i>	
House-rent or lodgings, per week.	5 <i>s</i> to 6 <i>s</i>	3 <i>s</i>	1 <i>s</i> 8 <i>d</i>		2 <i>s</i> 6 <i>d</i>	
Clothes, Sunday cloth suit.....	about £3	£1 1 <i>s</i>	£3	—	—	

* Eaten daily.

† Not eaten by poorer workmen, who eat sausages (Wurst).

This immense gulf between British and Foreign wages is patent to every one who will take the trouble to go into the question. It would not be very difficult to give the causes of it; but I am now treating of its results, not of its causes.

Twenty years ago the English had better and cheaper fuel, better and cheaper machinery, far larger capital, superior practical and technical education and experience than the rest of Europe put together; and these advantages more than balanced their higher wages. In spite of high wages, the English manufacturer and operative then had a monopoly of many industries that have since spread rapidly among the manufacturing communities of Europe.

Many articles that they then produced cheaper and better than the rest of the world can now be produced as well and as cheaply by other nations.

Increased confidence, the spread of mechanical knowledge, the magical effect of an additional circulation of gold, the effect of steam navigation in equalizing the rates of transit, and the price of commodities, have removed many of the advantages England then possessed. The manufacturers and operatives of France, Belgium, Germany, and Switzerland, can now get their raw material at the same price as we do, and can deliver their manufactured article in our markets as cheaply as we can. They have now as much capital, as cheap fuel (or nearly so), a good deal of it English, as much technical and mechanical knowledge, as cheap and as good machinery (most of it also actually English or copied from it) as we possess in this country—all these things, therefore, being equal, they have still an advantage of from 30 to 50 per cent. in wages; and it is this difference that enables them in almost every article to undersell us in our own markets.

Roughly speaking, the proportionate cost of labor in the production of any manufactured article is from 50 to 70 per cent.—say, half its market value. A difference of wages, therefore, to the extent of 25 per cent. represents a difference on the total cost of the article of one-quarter of the wages expended on it. Now, supposing any article costs 2s, one-half of which, or 1s, is expended in labor, a difference of 25 per cent. in labor means a difference of one-fourth of 1s, or 3d, or 12½ per cent. on the cost of the article; but as a rule the difference between English and Foreign labor varies between 25 per cent. and 50 per cent. It is in no case less than 25, and in nineteen cases out of twenty, nearly 50, and, therefore, the total difference in the item of cost between English and Foreign articles of manufacture would be more truly represented by 25 per cent. than by 12½.

All other conditions being equal, the Foreign operative must either raise his wages from 30 to 50 per cent., or the English operative must lower his to the same extent, before they can be said to be equally weighted in the international race. But it is of no use the English operative waiting for the Foreign operative to raise his wages, if at the same time he raises his tariff also! This has been the practice in America; operatives' wages have been steadily

rising, but co-equally have risen the Customs duties on the goods they produce. It does not require a conjurer to tell us that English wages cannot be lowered 30 per cent., or Foreign wages raised in the same proportion in a day!

Now we acknowledge to our shame that the English operative is not so sober, so laborious, so industrious, so thrifty, as his foreign rival—he is undeniably more extravagant, more reckless of money, more wasteful in his way of life, more given to drink; these are his national, his congenital vices; he inherits them from his father and mother, and we all share them, they are the taint of the race; he cannot at once change his nature and become economical, thrifty, sober, any more than we can: but, nevertheless, as a rule, he turns out more honest, genuine work than the foreigner. Mechanics, smiths, stonemasons, watch makers, cabinet makers, milliners, hatters, paper makers, &c. will give work in every way superior to foreign work, except in the matter of price: they can, and do give better work than the foreigner, but not so cheap. Living in a different climate, and with different social habits and requirements, they cannot work at the wages the foreigner can; but they are superior in many articles of manufacture, and if the world markets were open to them, they would command a market, even at a higher price than their foreign competitors: but they are too heavily weighted; they are either entirely excluded, or only admitted with a rate of duty that raises their cost far above the market price.

One of the axioms of Free Trade is, "Buy in the cheapest, sell in the dearest, market;" but this is impossible for the English manufacturer; he has only his own market to sell in, and here he has to meet the foreigner on his own terms, and sell at his prices. Perfectly unrestrained competition has made his own market the cheapest in the world for both buyer and seller, and being confined to this only and shut out of all others, he loses "the give-and-take" principle, and is compelled always to sell in the cheapest market.

The British operative is more extravagant than his foreign rival, and requires more pay; but he also gives better work; he spends more money, wastes more in drink, if you like it better, than his fellow abroad; but he is not alone in his extravagance; it is the national failing: it pervades more or less every class in our country: it is absurd to expect thrift and economy in the working class

alone of all the community—they would hardly be British, if they were not extravagant.

We all know a Frenchman, still more a German, of the middle or upper class, will live well, even showily, on an income which would not keep an English gentleman off the parish. A glass of water, a slice of bread and an onion, will enable a German or French operative, in any sedentary occupation, to do quite as much work, and in some cases as good work, as pounds of meat and quarts of strong drink will one of our own countrymen, and moreover, he will work steadily *seven* days in the week, instead of four or five. You have only to contrast an Englishman at a café who devours the hors d'œuvres at 50 centimes and gives the waiter a franc, with the Frenchman or German who gives him two sous and pockets the sugar to know that extravagance, want of thrift and economy, is not confined to the operative class alone.

The English workman is not a drone; he does not ask high pay for no work; he does not call for protection to his idleness: he is willing to give better work than his foreign competitors, but he must be paid for it; he can give a good article at a good price, but he cannot produce a moderate article cheap.

He can excel the best foreign work, but he cannot compete with the cheap work that comes to this country.

Foreign work does not always mean gain to the consumer: it may be cheap, but it is very often nasty, and when it is nasty, you must make the best of it, there is no remedy. The state of our commercial policy gives tradesmen of all kinds, and others, frequent facilities for palming off cheap foreign and very inferior work in the place and at the price of good English work; but it is generally at the cost of the consumer.

A case in point occurred in my own house; the architect gave the contractor who supplied the marble work the designs for two good chimney pieces for the drawing-rooms, the effect of which depended very much on the design being faithfully and honestly carried out in its details, on the work being sharp and true. When the chimney pieces were erected, they were found to be miserable failures, all the important work had been scamped or altogether omitted. Now, how was this? simply because the contractor had sent the designs to Belgium, and had inferior work executed there, at a cheap rate; thus the

architect lost reputation, I had to put up with an inferior article, the English stonemason lost the job, and the only one who gained by the transaction was the contractor, who having been paid for good English work, supplied in its place inferior foreign work.

Now this is done in many trades, and will be done in many more. It is done largely in cabinet work, marble work, watches, clocks, carpets, &c. &c. English work, English patterns, and English fabrics are imitated in France and Germany, and sold in England as English goods; and it does not profit either the British manufacturer or operative, or the British consumer; the former are defrauded of their just labor and profit, and the latter pays the English market price for an imitation that possesses none of the sterling worth of the original.

It is of no use rating the British operatives for extravagance, and telling them to go to school; they will not do so; such as they are such they will remain, for our time at any rate; we must treat them as we find them, not as we should wish them to be; they are part of our community; members of our body politic, and spite their shortcomings, we must take care of them and keep them in a healthy contented state as far as possible. There is about as much sense in our turning round and saying to them, reform your ways and work at 30 per cent. lower wages, or emigrate, as there would be in a man threatening a good one to cut his leg off, because it was not quite such as his neighbor's!

CHAPTER VIII.

COTTON.

A GOOD farmer will depend for his rent on a number of crops; he will not limit his produce to one, and lay his whole farm down in grass or in corn, for grass or corn might fail, and where would he be then? This is true wisdom, and this is what a good Government ought to do for a nation; we have to pay our national rent—and to do so we ought to have a number of crops, great and small, to depend upon. If we trust to one or two they may fail; we ought to have a number and trust to an average of the whole. No one can deny this is sound policy; we should watch and cultivate and protect as far as possible every crop, and see that each is in a healthy state, and not allowed to decay; if we do not do this, we shall some day find ourselves in a mess. Of late years we have adopted the very opposite policy, we have trusted too much to one crop and neglected the prosperity of others; a great deal too much importance has been attached to the cotton interest in England. The chief, if not the sole reason for throwing open our ports to the world, was to extend our cotton trade. Cotton was our great staple, and it was argued, that if we admitted foreign manufactures duty free, other nations would in return receive our cotton. It was believed the cotton interest would be immensely extended, and to secure this result, it appeared of comparatively little importance that a number of smaller interests should suffer or fail altogether.

Cotton was proclaimed omnipotent, we were induced to trust to one crop, and to take no account of the others; we were assured it was of no importance that silk, paper, glass, boots, clocks, watches, and other innumerable small industries suffered or were abandoned so long as cotton prospered. Our commercial lawgivers, trusted to this one crop, and despised and neglected the rest; like many others since, they gambled in cotton, they speculated in a monopoly that did not exist, they have been wofully de-

ceived. They find now that their great King Cotton before whose altar they massacred the Innocents, and sacrificed so many smaller industries, is but a mean fellow after all, ready at any moment to desert them for other worshippers, and they must feel, although we cannot expect them to allow it, that their devotion has been misplaced, their legislation but vanity and vexation. The cotton industry is seriously, many fear permanently, depressed in this country, and we have now in addition to bear the loss of the many smaller industries that our foolish commercial policy has suffered to go to ruin.

The French Treaty was negotiated solely and entirely in the cotton interest, but for cotton we should never have heard of it; it was believed we had a monopoly of cotton, that foreigners must buy of us, and that if we could get the duty reduced to 15 per cent. *ad valorem*, we should immensely increase our trade. These expectations have proved illusory.

For many years the French, Prussians, Belgians, Swiss, Austrians, and Americans have each had the germ of a large cotton industry; capital, confidence, cheap transit and *protection* are now rapidly developing them; they require less of our cotton every year, they will soon require none at all; they can manufacture cotton as good and as cheap as we can, and in some qualities can even supply us at a less price than we can ourselves.

We were assured we had a monopoly of the French cotton supply, and that nothing could affect it. But, as it turns out, there is hardly an article of which the French do not send us more than we send them; in gray and bleached calicoes they take from us £760,000, and send us £880,000. In prints they take from us £24,800 and send us £120,000; in dyed goods they take £6400 and send us over £40,000.

The French Minister of Agriculture and Commerce stated during the recent debate on the temporary admission of Foreign tissues, and in answer to the assertion that England having been deprived of the American market had inundated France with its goods, that France was exporting to the value of £1,600,000 to England of their tissues, whilst England was exporting to France to the value only of £72,000. But it is not only in cotton France is supplying our wants: of the twenty-seven and a half millions

frances worth of merinos which France exported in 1868, England alone took twenty and a half million frances worth.

If we were to keep a debtor and creditor account, taking even the whole of the stuffs exported as going into consumption in France, the account would stand thus: Exports from France to England sixty-one and a half million frances; exports from England to France, thirty-two and a half millions; excess in favor of France, nearly twenty-nine millions of frances in worsted goods alone. In a comparison of the whole manufactured articles imported and exported by France from and to England there is a balance in favor of France of £23,233,593.*

The stimulus given to French manufacturing industries by having the English ports opened to them is very well illustrated by the growth of the woollen trade at Roubaix. The number of spindles has increased from 1,300,000 in 1862, to 1,750,000 in 1867; and the export of woollen yarns has increased 250 per cent.! It is pleasant to hear that "some of the largest establishments at Roubaix state, with just pride, that they are almost exclusively working for the English market;" and yet we are told the woollen trade is prosperous!

It is quite true that some years ago England had a monopoly of the cotton trade, and France and other nations, were obliged to buy of us, because there was no cotton in the market; but the gradual loss of this monopoly became inevitable with the change of the commercial conditions that had given it to us; it is as certain as anything in this world, that wherever labor, machinery, fuel, and capital, are cheap and plenty, and a demand for cotton goods exists, there cotton factories will start up to supply it; it is the simplest of all industries, the best understood, the most profitable both for capital and labor.† As foreign factories increase foreign fabrics will gradually supply the place of English fabrics; formerly English cotton goods could stand the heavy *ad valorem* duty, because there was no competition; now there is, it is increasing and will con-

* See Memorial, Bradford Chamber of Commerce, at end of pamphlet.

† In the five Eastern departments there is capital invested in spinning machinery to the amount of eight millions sterling; the trade employs 60,000 workmen, whose wages are calculated as sufficient for the daily support of 150,000 people; their labor is valued at six millions.

tinue to increase every year, and must inevitably deprive us of a good deal of our trade.

In the early stages of the cotton industry it is of great importance to get the material in the best and fittest possible state for manufacturing; it is more convenient in many cases, and gives employment to more hands, and is more profitable to manufacture cotton goods from cotton yarn, than to produce it from the raw article. In many parts of Austria and Switzerland, it is still difficult to get raw cotton, and there cotton yarn is entirely employed; wherever cotton yarn is bought, we know cotton industries are springing up; every nation that takes less of our cotton goods and more of our yarn is on the high road to self-supply; as they profit by every cwt. of yarn they convert into piece goods, so we lose by every cwt. we sell as yarn instead of in its fully manufactured form. The labor employed in converting yarn into piece goods, is about five times as great as that employed in converting raw cotton into yarn; to that extent therefore the interests of the operative class are directly interested in completing the manufacture of cotton, rather than in selling it in the shape of yarn; this applies also to the earlier stages of other industries, silk and woollen.

In 1868 France took nearly 30 per cent. less of our cotton, linen, and woollen manufactures than she did in 1866, and about 70 per cent. more cotton, linen, and woollen yarn; and the same unmistakable evidence of increasing manufacturing industry is plainly visible in all our cotton dealings with foreign nations.

If we examine the returns we find a far larger proportion of the raw cotton that comes into this country at present is re-exported than formerly; in 1854 one-ninth of the cotton exported into this country was re-exported; in 1868 one-fifth or nearly double the proportion was re-exported.

Our exports of raw cotton and cotton yarn to France have increased from eleven and-a-half millions in 1854, to twenty-four and-a-half millions in 1868; whilst our exports of manufactured cotton to France have fallen off 30 per cent. since 1866.

There is not a country in Europe that during the last ten years has not increased its importation of cotton yarn and raw cotton in a larger proportion than its importation of cotton goods; and we cannot have a more complete proof of the general spread of the cotton industry.

In 1868 one-third of our total imports of raw cotton amounting to 322½ million of pounds, was exported, because the merchant or importer could get more for it in the foreign markets than in our own.

The Board of Trade returns for December 1869, show a falling off of nearly half a million or 2½ per cent. in declared value of our exports as compared with corresponding month of December, 1868; the falling off is chiefly in cotton goods which are over £800,000 less than in December 1868.

The cotton trade in England is in a very unsatisfactory state at present; we are assured our cotton imports and exports go on increasing, but there is the fact that in Lancashire and Yorkshire cotton mills are for sale by the dozen at one-third and one-fourth the price they cost four or five years ago, whilst the home consumption of cotton goods has fallen off 35 per cent. in three years; but it does not at all follow, that because the cotton trade is depressed in England and the consumption fallen away, that therefore there is less raw cotton grown or less manufactured cotton consumed; it is by no means the case; there is nearly as much raw cotton as ever, and the consumption of the world increases steadily every year. It is not that the great cotton industry has dwindled, but that England no longer has a monopoly of it; whilst cotton mills are closed or pulled down in England, others are being erected in considerable numbers in France, Germany, Switzerland, Belgium, and America, and the English manufacturers of cotton machinery are working early and late to execute orders for these countries. It is rather a melancholy consideration for us, but I believe it to be a fact, that the only flourishing industry in England at this moment is that of the machinists producing cotton machinery of all kinds for foreign countries.

It is believed by those who have studied the subject that the number of spindles employed on the continent of Europe and in America now exceeds those employed in England by between two and three millions; this proportion is increasing rapidly every year. A few years ago the idea of our importing manufactured cotton from France, Germany, or Switzerland, would have appeared absurd, but such is already actually the case; and with their cheap labor it must rapidly increase; the quantities as yet are but small, but with the constant advantage of cheap labor they

must increase, and they are interesting as showing that the wind is veering round in that direction. Our new rivals have ample capital, English machinery and fuel, extraordinary cheap labor, and they can already, or will soon, supply their own market cheaper than we can.

There is still raw cotton enough produced to keep all the mills in England in full work, and there is a sufficient demand for it when manufactured; but our foreign rivals who can purchase the raw material, machinery and fuel as cheaply as we can, and have labor 30 per cent. cheaper, have taken the trade from us.

The cotton trade of continental Europe with France and China must receive an immense stimulus from the opening of the Suez Canal. Trieste and Marseilles will be brought close to the eastern markets and must necessarily get a very large proportion of their trade. Hitherto her maritime superiority has given England great advantages over less skilful nations; this superiority is over, and slighter ships and timid mariners will now be enabled to reach the golden East with a very small taste of the dangers and difficulties of the ocean route.

In addition to the rapidly increasing cotton industries of Europe, America is largely extending her cotton mills both in the North and South,* and India will soon commence to manufacture on a large scale.

In spite of high wages, high protective duties will foster the cotton manufacture in America; and although it is not likely that we shall yet feel their competition in European markets, it is almost certain she will soon supply her own requirements. In India we may possibly have a very much more formidable rival; the natives of India are especially adapted to the sort of work required in the manufacture of cotton: they grow the raw material on the spot, and any quantity of skilled labor can be procured at from 12s to 14s a month. When cotton mills are started in India on a large scale, and with the requisite amount of capital, I see scarcely any limit to the economical manufacture of cotton goods.

Nothing connected with the cotton question appears to me so childish and ridiculous as the Manchester wail about

* "American manufactures are now increasing with great rapidity under the encouragement they receive, and this will certainly cause imports to fall off in a few years. Manufactories are being diffused all over the country."—*Vide* President Grant's Address.

the scarcity of cotton; they decline to face the difficulty fairly, and to acknowledge that our mills are standing because our monopoly is gone; because other countries buy and manufacture cotton that used formerly to come as a matter of course to us. There is as much cotton grown and as much converted into piece goods as ever, only it is not we who are doing all the buying and selling. They will persist in attributing the depressed state of the industry to the price of the raw cotton. Only give us cheap cotton, they say, only compel the Ryots of India to grow more cotton, and of a better quality, and to sell it cheaper, and pack it cleaner and our prosperity will immediately return. They appear to think that the two or three hundred millions inhabiting India have no other mission or object in life but to grow raw cotton for the Lancashire mills, and to consume Lancashire piece goods!

They are ready to advocate any policy, almost forced labor, to compel the natives to grow better cotton for them, and to sell it cheaper; but it would be much more to the purpose if they were to petition Parliament to send an army to Africa and other parts of the uncivilized world, and compel the inhabitants at the point of the bayonet to wear cotton shifts! What the Manchester manufacturer wants is increased demand for his manufactured goods, not more raw cotton.

Why, with all this howl for more cotton, we actually re-exported in 1868 one-third of our total imports of raw cotton! 322½ millions of pounds of cotton were re-exported in the same condition as we received it. This does not prove there is a scarcity of cotton; but it proves that foreign manufacturers and importers are willing to give a higher price for it than we are.

The cotton trade in England is depressed because other nations will give more for the raw material than we can afford to do; they get raw cotton delivered as cheaply as we can, and can manufacture it at from thirty to fifty per cent. less cost of wages.

When England had a monopoly of the manufacture of cotton, she had also a monopoly of the raw material; she had no competitors in the market, and bought pretty well at her own price; now she has half Europe competing for the raw material, to say nothing of the increasing quantities consumed in India and America, the lands of its growth.

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Increased facilities of transport have equalized the cost of the transit of cotton in every port in Europe; cheap cotton in Bombay means cheap cotton to all nations who wish to purchase it.

It is not the scarcity or the price of cotton that is closing our mills, but because other nations, owing to the low rate of wages and other advantages, can afford to give more for the raw article, and take less for the manufactured than we can. The Ryot will always get the highest price he can for his cotton, he will sell it to the highest bidder, and if he cannot make a profit he will not grow it at all. The Indian market is open to the world, buyers from France, Belgium, Prussia, Austria, Switzerland, and England must meet on equal terms. We cannot compel the Ryot to sell to us only, he will sell to the highest bidder, to whatever nation he belongs. France, Belgium, Switzerland, Prussia, can buy their cotton as cheap as we can, and can manufacture it as cheap or cheaper; they can compete with us when cotton is dear, they will compete with us with the same advantages when cotton is cheap.

The raw cotton trade of India is so very simple that those who run may read; but there are many who read but will not understand. About nine-tenths of all the cotton grown in India is consumed at home, in the manufacture of native cloth, which is both cheaper and more durable than imported piece goods; the remaining tenth is exported either to Europe or to China. When the price falls below a certain known point, it all, or nearly all goes to China: when it is above this point it goes to Europe. The price is regulated solely by the demand in Europe. The Chinese scarcely vary their price at all; they will absorb any amount of cotton when it is below a certain price, and will wait patiently for a fall when it rises above it.

The price of East India cotton, therefore, can never be very low in Europe, for when it is very cheap in India it all goes to China, or is manufactured at home, and does not come here at all.

Moreover the distance from India to Europe must always limit the trade in raw cotton, except when stimulated by exorbitant prices. The cotton manufacturer desires that the native of India should send his cotton from India to Lancashire to be made into shirts, which he is to buy back again at a profit, and wear out as soon as possible.

But when you consider the cost of collecting the raw cotton together in India, transporting it to the coast, shipping it to England, unshipping at Liverpool, rail to the different factories, packing and unpacking, return charges to Liverpool, reshipment to India, unshipping at Bombay or Calcutta, with all the expenses of spreading it over the country, does it not appear reasonable and natural that it should eventually be manufactured on the spot; especially as the population is docile and industrious, handy beyond all other nations in the pliancy and quickness of manipulation, and economical to a degree that we in this country cannot conceive.

I take it to be beyond any question whatever that, taking a broad view of the question, it is impossible that cotton can for many more years continue to be brought all the way from India to Europe to be manufactured and retransported.

Probably our manufacture of cotton has been less affected by our commercial legislation than any other of our industries. Neither Free Trade nor Protection can very much increase, or diminish the share that will come to England, it is regulated by much grander causes. So long as our maritime superiority, a more universal command of raw material, larger capital, superior machinery and fuel, &c. gives us an advantage over other nations, equal or greater than they possess over us in the matter of cheap labor, so long shall we go on manufacturing at a large rate: as these advantages diminish, so will our production. Other nations, as they begin to get more plentiful supplies of the raw material, increased capital, better machinery, &c., will produce more and more manufactured cotton: it is not likely our home trade will very soon be taken from us, but we shall every year be more and more dependent on it: our home demand has now fallen away 30 per cent. in three years, not from foreign importations, but because so many other trades are depressed and half ruined by foreign competition, that our operatives, the largest class of the consumers of cotton, cannot afford to buy it.

CHAPTER IX.

FRENCH TREATY.

THE following appears in the semi-official press of November 21:—

"In consequence of the discussions which have taken place as to the working of the Treaty of Commerce with France, and the erroneous opinions which prevail on the subject, it is highly probable that an inquiry into the whole question will be made by the Board of Trade. The inquiry is obviously one of a somewhat delicate character, and it can be conducted much more conveniently through a Government department than by the more cumbrous form of a Royal Commission."

That is to say, it is more convenient to leave the advantages or disadvantages of a particular policy to be decided entirely by those persons who were the originators of it, and who by every public and private interest are pledged to its continuance, rather than to submit it to the judgment of others who might be able to bring a more independent opinion to bear on the matter.

If the French treaty turns out to have been injurious to the working class of this country, what becomes of the reputation of the originators of it? What, indeed, becomes of the Cobden Club, is it likely, or even within the grounds of probability, that Mr. Bright should voluntarily repeal a policy with which his whole political life is identified, and which if repealed would leave him stranded indeed? No, if the question is to be examined into at all, let it be by the "cumbrous form of a Royal Commission." Let the inquiry be full and public. Let the advocates of the English workmen be heard as well as those of the foreigner. We have been too generous. It is time to be just. But if we want justice do not let us leave our case entirely in the hands of those who, from their antecedents and sympathies, if it goes against the chief articles of their faith, are almost incapable of giving it. I shall be surprised if Mr. Bright

would not rather be heard as an advocate on such a subject than act as a judge; he cannot wish to be both.

To ask him to decide on the soundness of the French treaty is like asking a man who has given a warranty of a horse to decide whether the horse is sound or not, as a man of honor he would rather leave it to others to decide.

At the same time that the question of the French treaty is being freely discussed, and amongst manufacturers and operatives generally condemned in this country, the same spirit of animosity is being displayed towards it in France.

This fact is joyfully seized by the supporters of the treaty in this country as an argument in favor of its continuance. It is argued that two negatives make an affirmative, that what is supposed by each to be bad must be good for both.

It is argued that French operatives and manufacturers would not grumble at the French treaty with England unless they suffered from English competition, and that their suffering *must* be our gain; but this is entirely a misapprehension, it is the result of the national habit of magnifying our own importance. It is not English competition that worries and frightens the French operative, it is Prussian, Austrian, Swiss and Belgian competition that is the thorn in their side.* It is not the English treaty that they object to, it is the principle on which it is founded, it is Free Trade in every shape, in its most restricted as in its fullest sense that they complain of. Their efforts are turned against the French treaty first of all because it is approaching the end of its first term of probation, and they fancy it can be easily repealed; whereas, it must be a work of time to alter the whole of their commercial arrangements: certainly in the face of this retrograde agitation by the only nation that has hitherto tried Free Trade in its mildest form, its advocates in this country have no right to tell the operative class that their principles are spreading over the world, it is a shame so to gull those whose very existence depends upon whether it is so or not.

The objects and intentions and anticipations of Mr. Cobden, and those who supported his policy in negotiating the French treaty were perfectly honest; he believed it was

* It is further stated that the French market is inundated with Swiss tissues, which are produced at a lower price than French ones, and thus the prices of Zurich regulate the French market. See Mr. Lionel West's Consular Report, 1869.

another step towards Free Trade: he found that all his prophecies and anticipation of universal reciprocity had failed, and he naturally grasped at this idea of negotiating a commercial treaty with France, as promising some small opening for the realization of his hopes.

Individually, I never could understand the policy or the sense of the Commercial treaty: it always appeared to me absurd to go through the form of negotiating a treaty when we had it in our power to do all we have done in the matter just as easily without it; there could be no earthly object in placing ourselves under an obligation to the French for no reason at all.

If it had been a case of reciprocity, of removing corresponding duties on certain articles of manufacture on both sides: there would have been some reason in it, but this was not the case at all; we removed the Customs' duties absolutely, entirely from forty-three articles, most of them articles of French industry; they, on the contrary, did not remove the duties from one single article of English industry. Now, there was no necessity for having a treaty to enable us to do this: we could have done it just as well without one. When you know it is a case of heads you win, tails I lose, surely it is hardly worth the trouble of tossing!

We gave them bread, whilst they returned our kindness by handing us a stone; but still they gave it to us in such a grand style, and we accepted it so humbly and so thankfully, that most of us believed we really had got a Roland for our Oliver. Of course, for decency sake, they were obliged to go through the form of an exchange: and this they did in their own way: they did not abolish the duty on any single article of English manufacture; they contented themselves with reducing the duties on a certain number. In some cases they lowered the 50 or 60 per cent. *ad valorem* Customs' duty to 30 or 15 per cent.: in some cases they actually substituted for total prohibition a 30 per cent. *ad valorem* duty.

They followed a very intelligible and I believe a very sound principle: they admitted at low rates all raw materials required for manufactures: coal, iron, cotton, wool, &c., with the machinery necessary to turn them into manufactured products, and continued to impose *ad valorem* duties that were actually prohibitory on all our manufactured goods: they did not in one single case lower their

Customs' duties to a point that would allow any article of English manufacture to be sold in their markets at a profit, that was not already in that position; there have always been a few articles we produce, and they do not, or not so cheap and so good as we do, and these they must buy from us under any conditions, to prohibit them would be absurd: these continue, but they have not been added to in one single case.

Now, if it was only a question of the English treaty, French manufacturers would be quite safe, and we should hear no sound of grumbling: the advantages are all on their side: they have taken care to fix a rate of duty that excludes English manufactured goods from their market; but unfortunately the favored nation clause admits into France, Belgian, Prussian, Austrian, and Swiss articles of manufacture at the same *ad valorem* duty that is imposed on British goods of the same kind; the duty that is sufficient to exclude in the latter case is not sufficient in the former: and consequently many French industries find themselves galled by foreign manufactured produce admitted under the wing of the English treaty, but having nothing to do with English industries.

The French were merely throwing dirt in our eyes when they reduced their *ad valorem* duties from 50 or 30 to 15 per cent. on articles that would be equally as well prohibited by an *ad valorem* duty of 5 per cent.: or in changing total prohibition for a 30 per cent. *ad valorem* duty on articles that could not be sold at a profit, even if admitted without any duty at all: yet this is actually what was done!

Of the forty-three articles on which the French reduced their tariff from total prohibition, or from 50 or 60 per cent. *ad valorem* to 30 or 15 per cent. *ad valorem*, there are not five articles of English manufacture that would not be excluded by an *ad valorem* duty of 5 per cent. Never, I believe, since the world was made has such a ridiculous fiasco of what is called a commercial treaty been negotiated. To call that a treaty where one side gives everything, the other nothing, is absurd: call it a cession, if you like, not a treaty.

When one considers its original conditions and examines its results, it is wonderful its authors had the face to propose it, and that the country should have entertained it without shouts of laughter. In admitting every article of French manufacture into this country free of duty, without

in any way securing a corresponding advantage from France, we bargained away the manufacturing birthright of our producing class for a mess of pottage; we bartered the prosperity, even the existence, of a number of our industries, with the hundreds of thousands of workers depending on them, for nothing—actually nothing. It will be asked, Is cheap claret nothing? or cheap silks nothing? But we could have reduced the duties on wine or silks at any moment we liked: there was no necessity to consult the French or negotiate a commercial treaty for that.

The French treaty was ostensibly negotiated in favor of the manufacturing classes in this country, and of what conceivable use are cheap clarets and cheap silks to them?

Of course the belief was that our superior excellence, energy, and "appetite" for hard work, would enable our operatives to sell many articles with an *ad valorem* duty of 30 to 15 per cent. that had hitherto been entirely prohibited.

Such must have been Mr. Cobden's belief when he negotiated the treaty. He would never have imperilled the prosperity of a number of our manufacturing industries for the sake of the luxury and comfort of the wealthy classes. He could not have foreseen he was legislating for the consumer only at the expense of the producer. He must have had visions of increased prosperity for the producer also; but he was mistaken.

No new market has been opened to us. We do not sell one single article in France now that we did not sell before the treaty. Our liberality has met with no return whatever. The French manufacturers and operatives are no more inclined to reciprocity now than they were before the treaty: on the contrary, far from inclining to reciprocity in any degree whatever, they show unmistakably their intention to stick literally and absolutely to the word of their bargain: they will exact the full pound of flesh, and ridicule the idea of making any sacrifice, however fair and just, to the principle of Free Trade!

Take an example. English manufacturers may send gray goods to France under bond, and have them printed there and returned to England duty free. But if gray goods are brought from France to England, printed here and returned, they are not readmitted into France without the payment of an *ad valorem* duty of 15 per cent.

Several calico printers of Manchester wrote to the French

Government pointing out the palpable injustice of this law; but the Minister of Commerce refused to modify the existing order of things, and was candid enough to tell the reason why. "As to the reduction which you solicit in the name of several English firms, I regret it is not possible to meet your views, for I cannot find any legal motive to consent to such a reduction. If our laws admit in certain cases a temporary admission of foreign goods in order to procure work for French hands, they do not allow any such facility to a temporary exportation, the result of which would be, on the contrary, to carry work to foreign countries to the direct prejudice of our own manufactures." This is the sort of reciprocity and friendly feeling that has resulted from the French treaty.

It is certainly marvellous to our ears to hear a public Minister openly deciding in favor of a preferential market for native industries instead of devising every possible means for encouraging and giving advantage to foreign rivals.

The plums of the commercial treaty have so entirely fallen to the lot of the French that it is difficult now to conceive what reasoning could possibly have influenced Mr. Cobden, as representing his own countrymen, in negotiating it; if a committee of the luxurious leaders of fashion of both sexes had drawn up a treaty that was to benefit them exclusively at the expense of the rest of the community, I could perfectly well understand it; but that it should be the work of a man professing to advance the interests of the workers at the expense of the luxurious class, appears incomprehensible.

Every single one of the thirty-three or thirty-four articles admitted duty free from France by the treaty are articles of luxury or convenience, whose use is entirely confined to the wealthier and more luxurious classes in the community, not a single one is directly or indirectly, or in any degree whatever of any service or advantage to the working classes; not one single article admitted duty free is either consumed by the working classes, or cheapens his labor, or adds to his comfort, or directly or indirectly benefits him in the remotest way; but on the other hand all of them are articles he produces. Run your eye over the following list of articles admitted duty free by the French treaty, and ask yourself if it is not incredible that this is the work of a man whose sympathies were decidedly

with the poor as against the rich; with the consumers of necessities as against the consumers of luxuries; with the producers of luxuries as against the consumers of them.

Articles admitted into England duty free according to the Treaty of Commerce signed January 23, 1860:—

Agates and cornelians set.
Arms of every description.
Articles covered with copper by galvanic process.
Brocade of silver and gold.
Brass and bronze manufactures.
Corks.
Canes, walking-sticks, &c.
Cutlery and other articles of steel, iron, &c.
Coverlids, worsted gloves, &c. &c.
Clocks, watches, opera-glasses.
China and porcelain ware.
Embroideries and needlework.
Fancy ornaments of steel or iron.
Feathers dressed or not.
Gloves, stockings, socks, &c.
Gloves and other leather articles of clothing.
Goats and other hair manufacture.
Grapes.
Hats of whatever substance.
Handkerchiefs and other manufactures not enumerated.
Jewelry set.
Lucifers of every description.
Leather manufactures.
Lace manufactured of cotton, worsted, silk or linen.
Manufactures of iron and steel.
Machinery and mechanical instruments.
Millinery and artificial flowers.
Manufacture of caoutchouc and gutta percha.
Musical instruments.
Manufactures of lead.
Oils.
Perfumery,
Percussion caps.
Raw fruits.
Sulphuric acid.
Stone and earthenware.
Sulphate of quinine.
Salts of morphine.
Worsted and woollen shawls.

It is no exaggeration to say that every article admitted is more or less an article of luxury, not a single one is an article of necessity. You cannot pick out a single article that is not or was not produced in this country; not one that is in the most limited degree consumed by the working classes.

The only possible object that the friend of the working classes could have had in admitting these articles duty free into England, was that articles of British manufacture should in return be admitted duty free into France: it is the only ground on which such a step could have been taken. Now a great number of these articles are specialties of France in general, and of Paris especially: they always have been and always will be produced there cheaper than in England; it is only by the help of a small amount of Protection they have been able to exist in England at all. To make the trade in such articles perfectly free, and to admit them into our markets on a perfect equality with our own, is simply to hand over to Foreigners the monopoly of the supply—to give them the whole trade at once.

The effect of this suicidal policy is not so immediately evident, because the industries that have suffered most are, with the exception of silk, small industries, employing limited communities, working at their own homes or in small shops, and without any influential capitalist to represent their distress. No immense body of men, like the cotton workers, are thrown out of work at once; if there had been, the treaty would not have lasted a year, or we should have had a revolution; but numerous smaller bodies have been thrown out of work; a number of small industries are partially or entirely ruined, and it is this that causes the distress and misery that now overflow the manufacturing districts.

On the other hand, France, in return for our liberality in admitting so many of her special industries duty free, agreed to admit the following articles, many of them also her special industries, with the modest *ad valorem* duty of 30 per cent., to be reduced at her option, in a certain number of years, to 15 per cent., but liable also to be increased, to meet Excise and other inland duties and taxes:—

1. Brandies and spirits.
2. Brass wire.
3. Carriages.

4. Cabinet ware.
5. Chemical productions.
6. Common soap.
7. China and porcelain ware.
8. Cotton manufactures, cotton yarn.
9. Cloth list.
10. Cutlery.
11. Extracts of dye-woods.
12. Garancine.
13. Crystal.
14. Glass mirrors and plate.
15. Horsehair manufactures.
16. Hosiery.
17. Haberdashery.
18. Iron forged in lumps or prism.
19. Manufacture of hair.
20. Manufacture of waste and floss silk.
21. Manufacture of silk and other kinds.
22. Manufacture of flax and hemp.
23. Mixed manufactures of every description.
24. Manufactures of caoutchouc and gutta percha.
25. Metal wares.
26. Machinery, mechanical instruments.
27. Pig and cast iron.
28. Plated articles.
29. Prepared skins.
30. Refined sugar.
31. Rock crystal bottles.
32. Stoneware and earthenware.
33. Silk manufactures.
34. Ships and boats.
35. Turmeric in powder.
36. Worsted and woollen yarns.
37. Worsted and woollen manufactures.
38. Yarns of flax and hemp.
39. Yarns of hair.

Now there are not five articles amongst all these that an *ad valorem* duty of 30 or 15 per cent. does not exclude entirely, or tax at a sum that leaves no profit to the importer; a great many of these articles are also specialties of the French, that they can always produce cheaper and better than we can: is it not rather laughing at our beards to admit English brandies, silk, glass, crystal, mirrors, plate-glass, china, carriages, cabinet-ware, refined sugar, at

an *ad valorem* duty of 15 per cent., when they are actually produced as cheap or cheaper in France than in England. But although the Government of France took good care not to allow free entry to a single manufactured article that could in any degree injure any of her existing industries, she took every pains to introduce as easily as possible every article that could stimulate or create new ones: she wanted raw material and machinery, and every facility was eagerly seized for introducing them.

Either the most extraordinary ignorance exists amongst our Free Trade professors respecting the relative effect of making England a Free Port on the manufacturing industries of France and England, or there is an amount of wilful misrepresentation that does them little credit. In 1865 the total exports from England to France amounted to 25½ millions sterling; the exports from France to England amounted to 53 millions, of which over 40 millions were French products and manufactures.

The relative value of this international trade is shown more by its nature than by its amount, it was nearly as follows: 72 *per cent.* of our exports to France were raw materials (¾ths of which were Foreign and Colonial produce, merely passing through the country, and ¼th coal and iron). 16 *per cent.* were half raw materials, chiefly yarns of different descriptions, on which most of the labor remained to be done in France. 12 *per cent.* only were fully manufactured articles, a very large proportion of which consisted in the machinery of all kinds required to manufacture the raw and half raw materials we supplied them with.

Our manufactured goods paid duties from 27½ *per cent.* on glass and potteries, to 20 *per cent.* on cutlery, 13 *per cent.* on cotton, to 7½ on metal work.

Of our imports from France, 16 *per cent.* were raw materials, all home produce consisting chiefly of brandy, wines, oil, corn, &c., true produce of the soil, annual and inexhaustible, and on which a vast amount of labor had been employed.

31 *per cent.* were half raw materials, and 52½ *per cent.* were fully manufactured articles on which all the labor was employed in France, and all of which were admitted duty free in England.

It is thus a fact that 88 *per cent.* of the articles exported from England to France in 1865, consisted of Foreign and

Colonial raw produce, on which no labor had been expended in this country, and of half raw materials on which comparatively little had been employed, and of the coal and iron necessary to manufacture them, whilst of the remaining 12 per cent. a very considerable portion consisted of spinning and weaving, and other machinery necessary to extend the manufacturing industries of the country.

This was in 1865. Take a later date. In the debate in the French Chambers, January 18, 1870, Monsieur Johnstone said: "Our exports to England are four times as large as our importations from that country: we have exported goods to the value of 400 millions of francs more than we have imported." And still in the face of statements and facts such as these, we find Free Trade orators and Free Trade penny-a-liners calling on the producing class to be thankful for the blessings they derive from Free Trade. According to this statement of the exchange of the manufactured products of the two countries in 1865 the French exported to us seven times the value of manufactured goods we exported to them; to do this they must have expended seven times as much in wages and found occupation for seven times as many hands.

If it is the case that the proportion of wages expended on manufactured articles is 50 per cent. of the cost, this 21 millions sterling of manufactured goods imported from France represents $10\frac{1}{2}$ millions of wages that have been paid to French workpeople in producing them; to the extent that these 21 millions worth of French manufactured goods have replaced British manufactured goods of a similar description, to that extent have our operative class lost wages that would, if a protective duty had existed, have come to them. It is easy to see how unequally this affects the two classes, consumers and producers; the average difference in cost between English manufactured goods and similar kinds of foreign goods that compete with them in the English market is from 5 to $12\frac{1}{2}$ per cent., say 7 per cent.; the proportion of wages spent on them is in both cases much the same, say 50 per cent. or one-half. Suppose manufactured goods from France, Germany, or Belgium, to the value of 20 millions, replace similar goods of English manufacture of the equal value in our home trade, our manufacturers lose their manufacturing profit on 20 millions, which may fairly be put at 10 per cent. or 2 millions; our operative class lose their wages, which would

have amounted to 50 per cent., or 10 millions; whereas the consumers would save say 7 per cent. on 20 millions, or about $1\frac{1}{2}$ millions sterling! so that on the admission of every twenty millions' worth of manufactured goods, there is a loss to the manufacturing and operative community of twelve millions, as against a saving to the consumer of one and a half millions! But if home articles of manufacture had been consumed instead of foreign, all of the 12 millions would have remained in the country, fructifying, creating industries, spreading enterprise and energy, etc., taking its share of the burdens and taxes of the country, and moreover vast amounts of raw material of home production, coal and iron, would have been employed, giving employment to thousands of workmen, and stimulating the endless number of trades and occupations that are indirectly protected by active manufacturing operations. The loss to the community of allowing our capital to be diverted from home to foreign industries is complete, and if carried far enough would become fatal to the actual existence of the whole country; but, indeed, as a rule, the consumer does not really benefit to the extent of 7 per cent. on the value of foreign manufactures, or anything like it; one or two per cent. or less will always divert orders in any article of consumption. We have assumed the foreigners have from 5 to $12\frac{1}{2}$ per cent., say 7, in hand; but they do not give it all to the consumer, on the contrary, they only give just so much as will secure them the preference over the home producer in the market: one per cent. or two may be sufficient for this: if the English producer drops his price one or two per cent. to meet them, they drop theirs to secure orders; but they do not sell cheaper than they are obliged to, or give away a greater portion of their seven per cent. than is absolutely necessary. In manufactured articles of equal quality *one-half* per cent. will often turn an order, especially in large transactions; and if a foreign article of equal value is offered at only one-half per cent. cheaper than the English article it will get the preference: it does not at all follow that because the foreign manufacturer can afford to take seven per cent. less than the English manufacturer, that therefore he does so; he takes off as little as he can, but the existence of this difference in price gives him the constant whip hand of the English manufacturer, and enables him always to undersell him. Of course it will be replied

to this, that if foreign goods were prohibited the English manufacturer might raise his price to what he liked; but prohibition is folly; nobody now talks of prohibition; all that is ever asked is a duty that will put the British and foreign manufacturers and operatives on a level, and take away from the English consumer the constant inducement to purchase foreign manufactures instead of his own; from 7 to 12 per cent. *ad valorem* would do this; the English producer would thus get his fair share of the home consumption, but he would be prevented making any oppressive use of protection to impose too much on the consumer.

It is using the *a non causa pro causa* form of argument, giving the wrong reason for the right one, to attribute to the French treaty our increased trade with France; it is simply part of the cosmopolitan increase of trade, the general distribution of wealth and science that has extended commerce in every direction spite of Free Trade or Protection. We should have sold just as much to France if we had retained our Customs duties on their goods as we have done by removing them, they would still have bought from us all we produced cheaper or better than they could, or what they could not produce at all; but their manufactured goods would not have replaced ours to the extent they have done, if they had been weighted with an *ad valorem* duty of 15 per cent.

The French treaty has stimulated no new industry in England; but it has ruined many; no manufactured goods whatever are admitted into France that we did not sell equally well before the treaty, and we should sell just as much if it was abolished to-morrow. Since 1857 we have increased our exports to Greece, China, Egypt, Hanse Towns, Turkey, British India, Denmark, Prussia, Belgium, in a larger relative degree, without the assistance of any commercial treaty, than we have to France with one. Holland is the only country of any importance in Europe that has not increased her import trade with us to a greater extent than France; this particular treaty, therefore, instead of stimulating the export of our manufactured products appears almost to have hampered it.

Public men have stated in addressing the working classes that our exports of cotton to France alone exceeded thirteen millions per annum; and they have asked them what they would have done but for this market for such

a large portion of their produce; but they knew perfectly well that nine-tenths of this cotton exported to France was either in the raw state, merely passing through the country, or cotton in a half manufactured state. Misrepresentations of the comparative competing powers of ourselves and foreigners are cruel deceits to practise on the ignorance of the operative class, and they have a perfect right to, and in all probability will some day, resent them. The quantity of manufactured cotton exported to France is very small, and is decreasing every year; in 1868 it was 30 per cent. less than in 1866, and in 1869 it is lower still. To say that the increase of our exports to France is owing to the Commercial treaty is not true; to say that our increased imports from France is the result of the Commercial treaty *is* true.

The French treaty was negotiated in such a slipshod manner, so entirely with a view to French interests, and with such an absolute indifference to every British interest, except cotton, that a careful sampling of the products of France and England, and comparison of prices was never properly made; we actually knew nothing of the comparative cost and qualities of the manufactured goods we were admitting into competition with our own industries. We actually did not care to examine both sides of the bargain; if we had done so, and an accurate pricing and sampling had been made and published, it is impossible Parliament could have sanctioned a bargain at once so unreasonable, and one sided, and so evidently ruinous to our industrial classes. We chose to assume we were in every industrial respect superior to the French; that we could beat them in anything we chose to turn our hands to; the result has proved the very reverse. But although the gentlemen who so kindly negotiated the treaty, knew nothing of these matters, others did so; the able Paris correspondent of the "Manchester Examiner, and Times," June, 1867, writes—"My own impression on pricing French calicoes six months before the treaty was, that certain classes were actually cheaper than similar descriptions by our first and largest makers; and on sending over a few hundred pieces of grays to Manchester, they, to the surprise of every one in the trade sold readily at a profit, and were the precursors of the large importation of French calicoes that has since followed."

Six months before the treaty was signed, it was known

to any one who would take the trouble to inquire, that certain qualities of calicoes could be manufactured in France and sold in England at a profit; and if the same reasonable inquiry had been extended to the other thirty or forty articles of manufacture admitted into England duty free, it would have been ascertained that nearly every one of them could be produced in France as cheap or cheaper than in England, and that therefore an *ad valorem* duty of 15 per cent., plus the cost of carriage, on English goods, was absolute prohibition.

I have always thought that unless there was some great necessity for doing so, it was the height of cruelty and injustice to consign to immediate or prospective ruin so many of the smaller industries of the country. What object had Messrs. Cobden and Gladstone in going out of their way to offer every facility to foreign manufacturers and operatives to compete with our home industries? Was England getting too rich? were our workmen getting too high wages, or our manufacturers too high a profit, or did they believe that the British consumer was imposed upon? and that this treaty was necessary to relieve them from the tyranny of the producers? They cannot have wished to deprive British operatives of their work in favor of French operatives, or to sacrifice their interests to those of the wealthy classes in England, but they have done so most completely and entirely. The French treaty has added immensely to the comfort and luxury of the wealthy classes, and has enriched to a wonderful extent the foreign manufacturers and operatives; but it has not in the slightest degree facilitated the admission of one single article that the operative class consumes, or that in any manner or degree promotes their comfort or well being; and it has deprived many thousands of Englishmen of their craft, and reduced them to idleness and poverty.

Almost every one of the French manufactured articles that we admit duty free are, as a rule, sold at a higher price in France than in England: the French manufacturer will lower his price almost below cost to beat the English producer in the British market, but he yet manages to secure a fair average price on his whole make by selling at a much higher price in his own market where he is protected; and is thus enabled most unfairly and most unjustly to filch their market from the British workers.

Now this is a disadvantage that is so manifestly unjust

that one would suppose our statesmen would in the simple exercise of their duty towards their own countrymen seek to remedy it. But no; the theory of Free Trade is right, even though the practice is fatal. There is nothing like dying by a fine sword; if we are to perish, let us perish in a noble cause in laying down our manufacturing life for our neighbors! Such conduct may be very sublime, but it is wonderfully stupid, *c'est beau, mais c'est bête*.

The gentleness and tenderness with which the French Government treated their home industries, and the care with which they sought to guard them from any sudden dangers or loss from foreign competition, was in direct opposition to our treatment of our own industries whose prosperity or existence was threatened by our commercial legislation. In those cases in France where a fall in the *ad valorem* duty from 30 to 15 per cent. was decided on, four years were allowed manufacturers and operatives to prepare for the contest, to improve their make, &c. &c. Not so with us; no time or preparation was allowed to our operatives or manufacturers; on the contrary, the possibility of any change was persistently denied till the mine was completed and exploded under our feet. No warning was given to the silk manufacturer to prepare for unrestricted foreign competition, but suddenly, as a thief in the night, the Bill was introduced that has almost annihilated an industry yielding some seven or eight millions sterling.

When the ruin of the silk trade consequent on the French treaty appeared to be inevitable the operatives and manufacturers were told they must improve their machinery, their designs, their quality, and manufacture cheaper and better than they had hitherto done; but to ruin a trade first, to throw it into bankruptcy and then to tell it to go ahead is absurd: that is not the way to stimulate its efforts and its energy, to bring new capital and enterprise into it; on the contrary, the very causes that make fresh capital and energy necessary make it impossible to get them. Energy, enterprise, capital steadily leave an industry that is declining or threatened with disaster.

Those who negotiated the French treaty might have known, if they had taken the trouble to inquire, that in many points the French were more skilful manufacturers of silk than ourselves, and could beat us in any open market.

Instead of at once throwing our silk trade into a compe-

tition that was hopeless they should have given them time and assistance to improve their product up to the standard of those who they were to compete with, to tell them to do so afterwards was the most insulting injustice.

They had no right, unless it was absolutely unavoidable, to remove from them without warning the protection that was necessary to their existence, and on which they had counted when investing their capital. The object, no doubt, was to stimulate the cotton industry; but by what new code is it considered just to ruin one industry on the chance of advancing another?

The direct object of all the Free Trade legislation we have seen in England, and of the French treaty especially, was to increase the area of our cotton sales. Every other industry, every other interest was considered below notice when compared with cotton; if smaller industries suffered or were ruined, so much the worse for them, cotton at any rate must profit! The idea was to stimulate the great industry at any cost. The French treaty was the most selfish piece of commercial legislation this country has ever seen, it was originated by cotton men, negotiated by cotton men, actuated solely by cotton interests, and with the most supreme indifference for any other manufacturing interest except cotton.

It was said foreign competition in our home market would stimulate our cotton industries, put into them more energy, more competition, more capital. No doubt universal Free Trade or Reciprocal Free Trade, would have done this and more; but partial Free Trade, merely proclaiming England a Free Port, has had the very opposite effect. The perfectly free admission of foreign manufactures into England, without any reciprocity or return, has depressed and disheartened both manufacturers and operatives, has paralyzed many of the industries of the country, and has driven capital into other channels. It is success, confidence, security, that brings capital, energy, enterprise, progress into any business; there is no want of these elements when a trade is good, but when it is depressed, the most opposite results will be immediately visible. When the silk manufacturers complain their trade is ruined, conscientious Free Traders tell them they ought to improve and cheapen their make: with a prosperous and increasing trade they might do so, with a bad and losing one it is impossible. To ruin a trade, and then urge it to improve, is

rather like robbing a man of his purse and then asking him to pay for your dinner.

The difference between the theorist and the fanatic is very slight. The theorist becomes enamored of his theory with an illogical intensity that very much resembles fanaticism. He cannot prove his theory is true, though at heart he firmly believes it is, and the incredulity of those who doubt it irritates him into a blinder and more implicit worship. He becomes impatient, unreasonable, indignant at any sign or expression of doubt. This is literally the case with many Free Traders. They have raised up a golden image for the worship of the world, and any one who dares to hint its feet are clay, &c., is in their eyes guilty of sacrilege. They will allow no argument, nothing in disparagement of the perfection of its beauty. Their belief is of that nature that treats the doubts of others as knavish, stupid, criminal. Now this is very absurd, for after all this golden image is only a theory. It has no existence. And they can scarcely expect universal belief in what, from its nature, must always be incapable of proof.

Often when I have discussed Free Trade with Free Traders, and it has been conceded that the British operative taxed and weighted as he is cannot in a vast number of industries compete with the foreigner, I have been stopped with the fanatical dictum, that if the British operative cannot produce as cheaply as his foreign rivals, he must shut up and give way to others that can; perish operatives and industries altogether, but do not utter a word of sacrilege against our theory! Now this is fanaticism, and what is more, it is absurd, ridiculous, stupid fanaticism; the British operative cannot in the circumstances in which he is placed, and over which he has no control, manufacture as cheaply as the foreigner, and it is more reasonable and consistent with justice and common sense to recognize it, and by exceptional legislation, if necessary, to foster and protect them, rather than leave them to be destroyed by unjust competition.

Free Trade fanatics do not see that the existence of manufacturing industries is of more importance to the country, than the maintenance of a theory of any kind whatever.

CHAPTER X.

BOARD OF TRADE STATISTICS.

"THERE is nothing so deceptive as facts, except figures," as all know who after a long and laborious analysis of figures have arrived at a result that is manifestly untrue; this is especially the case with the Board of Trade returns. The array of figures and calculations drawn from them is endless; the advocates of our present commercial policy maintain that they prove absolutely that no manufacturing depression exists, and that both manufacturers and operatives must be well off.

In the hands of a clever manipulator of figures, the Board of Trade returns may be made to prove anything you like. They are laboriously and conscientiously prepared, and contain a vast amount of useful and varied information; they give us approximately the gross commerce of the country, the principal exports and imports; they tell us where our produce goes, and the nature and value of the produce we receive in return; but they give no insight whatever into the actual condition of our manufacturing industries at home, *our home consumption of home products*.

England's wealth and prosperity does not consist entirely in her foreign commerce; the amount of exports and imports is not alone of itself, conclusive evidence of prosperity. She does not live in imports and exports alone; it is her home consumption far more than her exports and imports that gives occupation to the people and wealth to the country.

Home consumption of home manufactures is the universal test of prosperity, and no information on this subject appears in the Board of Trade returns. Not only are these returns imperfect from their omissions, but their facts not unfrequently lead to most erroneous conclusions; for instance, the home consumption of any article of home manufacture might so fall away, that manufacturers might relinquish entirely the home market, stop half their works, and merely produce for exportation; but if, in doing so,

the amount exported is increased, the Board of Trade returns would make it appear that this particular trade is flourishing, whereas in reality it might be half ruined.

At this present moment, millions of pounds sterling worth of manufactured goods are exported on which there is no profit, on many an actual loss.

In many of our minor industries English manufacturers have been pushed out of their home market by cheaper foreign goods, but sooner than stop altogether they will continue for a time to manufacture at a loss; this is a most important matter, but no official Board returns can give us any information on it; moreover, their figures are never so correct as to serve as absolute proof. No "absolute reliance can be placed on their statistics, the statements in many instances being made at random, and the Board of Trade being without power to enforce any more correct system."*

Sometimes, indeed, the mistakes are of a magnitude that entirely upsets all the calculations made on the returns; for instance, the commercial world was staggered on the morning of July 28th last, to read in the Money article of the "Times," that an error of twenty millions sterling on the returns of our cotton exports had been discovered. Now, twenty millions is a considerable sum, and added to or subtracted from our national balance-sheet, makes all the difference. It may have proved no error at all, but the suggestion of such a possibility by such an authority is sufficient proof that error is possible and apparently unlimited in amount.

The Board of Trade returns treat only the *principal* articles of export and import, all the innumerable small industries that go far to constitute the wealth of any country are not entered.

The extent of our exports and imports is evidence of our commercial condition, but it scarcely touches the question of our manufacturing prosperity. It shows us what our merchants, brokers, shippers are doing, how much they buy and sell; but it does not in the least show the true state of our manufacturing industries; it is interesting as being a guide to our commercial condition, but it fails entirely in furnishing any accurate evidence of the condition of the producing portion of the community.

* "Times" money article, December 1, 1869.

For instance, the imports of French silks have increased nine millions in the last ten years, and on the strength of this increased importation it is stated and credited that the community are consuming more silks than they did ten years ago, and must consequently be richer—but this is not so; during the same time the exports of English silks has fallen off a million, and the home consumption of British silks has dwindled to nothing. Very little if any more silk is consumed to-day in England than ten years ago, but French silk is consumed instead of English silk, the work of Foreign hands and looms has replaced the work of our own countrymen; this may be a certain infinitesimal advantage to the consumer, but it is ruin to a considerable body of producers, and if it proves anything at all it is that a large portion of our operative community must have lost their means of livelihood.

Of course it is of great importance to know the exact value of our imports and exports; but a more important question still is that of home consumption; that is the great mass of our business, whether the 30,000,000 of British consumers consume the British or the Foreign article, whether we are steadily increasing our home consumption of home manufactures, or whether it is falling off. In most of our industries, except cotton, our home consumption is from five to ten times as great as our exports; if our home consumption very much diminishes our production must necessarily, therefore, very much decline, unless new markets are opened to us; but if our exports remained the same or increased, the Board of Trade returns would flatter us with the very opposite results. Every year more French silks, ribbons, velvets, clocks, watches, shoes, boots, gloves, millinery, artificial flowers, &c. &c., are consumed in England, and less of English goods of a similar kind. English goods have been shoved out of the home market in the same way that the old English black rat has been shoved out of the country by the brown Hanoverian rat. There are not more rats than there were fifty years ago, but those we have are foreigners not British.

I cannot conceive that in any possible way can it be good for the community that the English manufacturers and operatives engaged in these industries should be replaced by the foreigner.

When we compare the proportion of our manufactured goods exported with the proportion consumed at home,

we see at once that without both returns one can get no accurate idea of the condition of our manufacturing industries. Increased exports may mean depression in the home market; and diminished exports may mean increased home consumption. I do not say it is so as a rule; but it is so quite frequently enough to prove the absurdity of relying on any returns of imports and exports as evidence of the true condition of our industries. All is not gold that glitters. At this present moment the increase in some of our exports has resulted entirely from the diminished demand in our home market. In many cases producers have had the choice of selling without a profit at home, of stopping their works, or of exporting to a foreign port on the chance of a profit; naturally they generally try the last first.

The balance of trade is a subject on which Free Trade theorists are very strong indeed. They maintain that not only is there no proof of loss when the imports exceed the exports, but actually the very reverse. Now this I believe is untrue. Look at it from any point you like it comes to this, that after we have exchanged all we can in raw and manufactured produce there still remains an enormous balance, say from 70 to 100 millions which we have to pay for in cash.

The fact of our being able to part with from 70 to 100 millions a year for a number of years without showing signs of exhaustion is a proof of the immense accumulated wealth there was and still is in the country, but it can by no possible sophistry be made to prove that this wealth is increasing.

Whenever the imports exceed the exports, that is to say, whenever a balance remains to be paid for in cash, after all the exchanges have been made, to that extent the country must part with its gold; and on the contrary, whenever a balance has to be received in cash, after all exchanges have been made, to that extent the country will add to its store of gold. Now a drain of 700 millions sterling in eleven or twelve years is not very much when compared to the funded and realized wealth of England. Still it is a considerable amount, and its effects must be felt both in the country that parts with and in the countries that gain it. This 700 millions has either been withdrawn from the funded and realized wealth of the country, or from industrial enterprises, or it has been diverted from

home to foreign articles of consumption; it has gone to create industries and to encourage competition in foreign countries; but it would certainly have been better for our community if it had been expended in creating industries and stimulating competition in our own country.

It is constantly argued that this excess of imports over exports is of no importance, that if it counts at all it is in our favor. That if money goes out something else comes in of equivalent value, in fact the money comes back somehow in return; but I cannot admit the truth of the argument. The money does not come back. We get various articles more or less perishable in exchange for it, but the money, which does not perish, leaves us. I cannot bring myself to doubt that there must be more money in circulation in the community if this balance was retained in the country than if it went permanently abroad. Of course we get value for our money, but it is for the most part in perishable articles, from 50 to 70 per cent. of the value of which consists in the labor of foreign workmen; whilst the money we send to buy these goods does not perish but remains to vivify and to increase trade and industries and find employment in any imaginary degree. It may be argued that this is all right, that our wealth is so boundless and our wants so vast, it is necessary for us to employ additional foreign labor to supply them; but this argument falls to the ground when we find our own operatives out of work and foreigners fully employed supplying us. I do not think it can be doubted that it must be an advantage to a community to export more manufactured goods than they import; it must accumulate wealth in the country and by that means lighten taxation and other burdens.

Now the balance of trade against us amounts in twelve years to nearly 700 millions, or seven-eighths of our national debt. The interest on our national debt is twenty-six and a half millions per annum, so that if we could have paid off seven-eighths of it our annual taxation would be reduced over 22 millions. It appears absurd even to discuss such a possibility, but it is not so altogether, for the Americans by high custom and excise duties have paid and are paying off their debt at an incredible rate. Her income for the year ending June 30, 1869, amounted to 371,000,000 dollars against expenditure including interest of national debt of 321,000,000 dollars. At this rate the

present debt would be paid in ten years.* Of course an immense difference exists between the American debt and our own. The enormous sums they raised for the war were all spent or wasted at home, on their own soil amongst their own people; our national debt was squandered and expended over the whole face of the globe: in subsidizing armies and fleets in every part of the world, the greater part of the money we raised left us entirely.

Looking at it from any light you will, it appears to me that this 700 millions is on the wrong side of the account, and that it would have been far better for us if it had appeared on the other side.

In spite of the surprise expressed by a portion of the Press, that there should still be fools or knaves in the country, who believe in the balance of trade, I am not ashamed to say I do; and I consider it a matter of very serious import that every year the balance against us should increase.

In 1854 the balance against us was thirty-seven millions.

In 1855	27 millions.
1856	33 "
1857	41 "
1858	25 "
1859	14 "
1860	45 "
1861	58 "
1862	59 "
1863	52 "
1864	62 "
1865	53 "
1866	57 "
1867	50 "
1868	68 "

In 1869 it is stated it will be over one hundred millions. In 1854 our imports exceeded our exports by thirty-seven millions; in 1857 by forty-one millions; in 1868 by sixty-eight millions; so that in fourteen years the annual balance against us in our export and import trade has advanced from thirty-seven to sixty-eight millions, and the total against us amounts to nearly seven hundred millions. Remember, this is a quantitative comparison; the meaning of it is, that in 1868 we buy more and sell less in com-

parison to our whole trade, to the extent of thirty-one millions than we did in 1854.

Now, of course, it is evident, if we sell more than we buy, money must come into the country to pay for the surplus of goods, but if we buy more than we sell, money in some shape or another must go out of it to pay for them. Now, this adverse balance can have been supplied in three ways, either from the immense funded and real estate of the community, or by an increased transfer of a portion of the current expenditure of the community from British to foreign goods; or by a mixture of the two; the former must to a certain extent decrease our national wealth; the latter more immediately affects the income of the working classes, inasmuch as they are direct losers by any transfer of expenditure from their industries to those of foreign countries.

As I have before remarked, the fact that during the last twelve or fourteen years the excess of imports over exports amounts to seven hundred millions sterling, is a proof of the immense wealth of the country, but no proof at all that that wealth is increasing; on the contrary, the accumulated wealth of the country must have diminished.

The increasing excess of imports over exports is constantly quoted as a proof of our increasing wealth; it is a proof we are spending money, not that we are making it. In the same way the increase in the value of the income-tax is a proof of the increased income of the people who pay, but it is not at all incompatible with the depressed condition of those who do not pay it; the operative class do not pay any income-tax; its increased value is therefore no proof of their increased wealth. It is a proof the rich are getting richer, but it is no proof that the poor are not getting poorer.

But there are other particulars in our exports and imports that are not satisfactory, and that is the increased exportation of our raw material, coal and iron, and of manufacturing machinery; coal and iron, especially when found united or close together, as in England, constitute the chief natural wealth of the country; they have been the primary cause of our manufacturing supremacy. Even now they are the only weapons that enable us to meet the lower wages of the Continent; to supply these materials to our opponents at the same price and cost that we get them ourselves, is simply to share with them the only ad-

vantage we retain, and that alone has enabled us to meet their low cost of labor.

So long as we possessed a considerable advantage in coal and iron to put against their labor, we might compete with them; directly we give them these defeat becomes a certainty. Foreign nations have not been slow in taking advantage of our marvellous generosity in this matter; our exports of coal have considerably more than doubled during the last fifteen years.

Independently of the advantages we give to the foreigner by allowing him to import our coal duty free, there is another reason why this trade should not be looked upon entirely as a subject of congratulation; we call it raw produce, but it cannot be classed with what is generally included under the head of raw produce. Wine and wheat are the produce of the soil and of the seasons, the supply is inexhaustible, renewed and increased year after year; there is no exhaustion about it, it is everlasting. Wine and wheat represent the interest of land, which is the capital; coal and iron are not the interest but the capital itself. The former is permanent and will go on yielding interest forever; a thousand years hence, for all we know, the soil of France and America will continue to produce their oil and wine, and wheat in as great, or increasing, profusion as at present; but this is not so with coal and iron; they cannot be renewed through future ages; the supply is limited, exhaustible, diminishing; year by year they must become less; they do not represent the interest of the soil, but the soil itself.

In 1868 we exported about five and a-half millions sterling of coal, and about one and a-half millions sterling of pig iron; with every ton of this coal and iron we diminished our capital.

It may be argued that the amount of capital represented by these products is so enormous that it need not strictly be treated as capital, that the quantity exported compared to the whole quantity remaining or consumed, is so small as not to be worth consideration, and there is no doubt some truth in it. I believe we may without danger of exhausting or even perceptibly injuring the national capital during our generation, export coal and iron; but still in doing so we are diminishing the national capital of succeeding generations of Englishmen; and by enhancing the price of coal at home, and diminishing it abroad, we are

parting with two of our special manufacturing advantages, and are assisting foreign industries at the expense of our own.

The Board of Trade returns prove unmistakably that we have greatly increased the exports of manufactured goods during the last twenty years; but they tell us nothing of our home consumption, and, after all, there's the rub; no returns will give us this information; the only way we can acquire it even approximately, is by studying the condition of our operative and manufacturing districts. The demand and consumption of foreign goods is twice as great now as it was twenty years ago; our merchants, bankers, brokers, shippers, the Commercial element in fact, have had a good time of it, but not so the manufacturing interest, and it is of them I am now writing.

The free import of foreign manufactured goods has injured most of our own manufacturing industries, and absolutely ruined many. In every way the manufacturers and the operative class, but more especially the operative class engaged in small industries, and not so dependent on machinery, have cause to curse the day when Free importations of foreign manufactured goods became the law of the land.

CHAPTER XI.

RECIPROCITY.

A STRONG effort is being made to discredit the cry for reciprocity or protection to native industries that is spreading amongst the working classes on the ground that it is raised by the "stupid Tories," who take advantage of the present season of depression to try and re-establish the Corn laws.

Now this is not true, the Tories are not the originators or even prime movers of the agitation. It is not a suggestion from above, but a demand from below. It proceeds from the body of the working classes themselves. As yet there has been no prompting, it is entirely genuine.

Of course, very soon the cry will be taken up by one side or the other for political purposes, to strengthen or destroy existing Governments; and if the Tories do not improve the occasion the Radicals will. As yet the working classes have not appealed to either party, politics are not mooted at their meetings; but when they do make this subject the condition of their support they will soon find both parties outbidding each other in their behalf.

The vote of the working classes is now of vast importance to each of the political parties. It is sufficient to turn the scale in half the boroughs in the United Kingdom, and the newly enfranchised may be quite sure of humble servants wherever or whenever they can guarantee a majority.

At present the feeling of alarm and dismay at the condition of the manufacturing industries of the country embraces quite as many Liberals as Tories in the manufacturing districts. Individually, I may belong to the large and distinguished family of the "stupid," a great many of us do, in the estimation of our friends, but I am not a Tory. I believe I am as liberal as any man can be whose political creed is limited by the principle of "the people governed not governing," but I am as firmly convinced as that the sun shines, that if the manufacturing

industries of the country are to exist we must have one of three things, Free Trade, in its broad and universal sense; or Reciprocity, which is Free Trade in a restricted sense; or Protection to native industries. Either our goods must be admitted duty free in every port of the world, or we must reciprocate the duties imposed on them by foreign nations, or we must impose a small customs duty on all foreign manufactured goods.

Free Traders affect to be surprised at this stupid agitation of the working classes, and as I said before attribute it to political re-actionists, but every thoughtful man must have felt convinced that whenever the working classes got political power the first use they would make of it would be to protect themselves. Other classes would do the same. It seems almost a law of nature they should do so. The re-establishment of Protection to native industry in some shape or another became a certainty when the operative classes gained political power.

We are told the battle of Free Trade was fought and won twenty years ago, and that it is ridiculous, an insult to common sense, to argue it over again. No doubt the battle was fought and gained; but it was fought under false colors, and with a totally different class to that which is now clamoring for its modification. The conditions of the problem are totally changed. Then all was theory. Now we have the light of practice and experience to instruct us. The promises of theory have proved vain, illusory, whilst the lessons of experience have proved hard and startling. The battle was fought twenty years ago with the Tory party, with the land owners. Now it must be fought over again with the working classes.

The working classes supported Free Trade twenty years ago because they believed they were battling against the prejudices and special interests of the upper classes, and at the same time advancing their own. Now the whole question is reversed, the upper classes are satisfied; their special interests have been advanced by this legislation. It is the operative class who are now calling out that their special interests have suffered.

The English operatives have found out that they have been cruelly and woefully deceived by their flatterers and advisers. They were assured that if England gave in her adherence to Free Trade it would almost immediately become universal. That if only we admitted foreign goods

to our markets foreign nations would at once open their markets to our goods.

That though in certain articles the price in our own market would fall, the innumerable fresh markets that would be thrown open to our goods all over the world would far more than counterbalance this trifling loss; that increased demand would more than repay them for any partial fall in price.

They were patted on the head and assured that their superior energy and hardihood and "appetite for hard work," a very favorite term with the flatterers of the working classes, would always enable them to whip the foreigner in any shape and under any condition. They were assured that they were so far ahead of the rest of the manufacturing world, that they need dread no competition; that they were beyond all possibility of danger; that no harm could possibly come to them; that far from running any risk of being driven out of their own market, they would carry the war into the enemies' country and establish a footing in every market of the world.

The dictum of Nelson was revived for their edification, and they were assured one English operative was as good as three foreigners under any circumstances.

It might be all very well for Nelson to use such an argument, ridiculous though it was, to stimulate the daring and audacity of his crew, and to urge them on to a contest with superior numbers; there it could do no harm and might do good; but to use it as an argument with the working classes to induce them to throw away all natural and artificial advantages; to tie one hand behind their backs and then offer to fight their enemy, was merely to take advantage of their credulity.

They were promised Free Ports all over the world if they would open their ports to foreign producers; and Free Ports were to increase their prosperity in every conceivable and inconceivable way; they have been disappointed, they have fulfilled their part of the conditions; they have opened their ports, but foreign ports are as tightly closed to them as ever.

Not one of the many great results that were promised them have been fulfilled; they find their boasted superiority over the foreigner imaginary, and diminishing every day; the promised markets have not been opened to them abroad, and they see to their dismay and irritation that

they are being gradually but surely edged out of their own, where they were assured they could defy the world.

It was the height of rashness for a country with the heavy standing charges, the large manufacturing interests, the high wages, the extravagant habits of England, to throw open her ports to the manufacturers and operatives of all other countries without securing some reciprocal advantages for the manufacturers and operatives of her own; it was so rash, so imprudent, so evidently an experiment, that we should express no surprise at other industrial communities declining to imitate us. Our example has not induced a single country to follow our lead, not a single additional port or market is opened to our manufactures: where we sell now we sold twenty years ago, and on the same conditions: in Asia, Africa, South America, we meet the foreign manufacturer on equal terms, so we did twenty years ago, with the difference that then we had the trade pretty nearly to ourselves.

The operatives have seen other classes of the community profiting by this policy and increasing in wealth, whilst they have been going steadily down hill: they have seen the operative class of Belgium, France, Germany, Switzerland, America, advance in prosperity, in intelligence, in technical education, far more under a closely Protective Policy, than they have done under what is called Free Trade.

They find that far from having maintained the lead that they had twenty years ago, in a vast number of manufactures, they have lost it, and been distanced by those whom their advisers told them were withering under the cold shade of Protection!

Twenty years ago Free Trade was the cure propounded for all the diseases the country suffered from; want of work, pauperism, crime, drunkenness, ignorance, were all to diminish under the new era; they have all increased; when we look at the result of the cure we have tried, can it be a matter of surprise if many of us still prefer the disease!

We are told Free Trade principles are spreading; why, in Prussia, Austria, Belgium, Switzerland, the idea even of opening their ports and markets, and inviting competition with their own industrial population, has never yet been mooted: whilst in America, the operative's Paradise, the duties on many British manufactures have been doubled

during the last few years;* and France, the Promised Land of Free Trade, is already trying to withdraw the nominal facilities doled out to us in the Commercial treaty. The only man in France who is at heart a Free Trader, is the Emperor himself.

Is this hopeful for the operative classes in England? Does the direction of public opinion in one single country on this subject afford the slightest hope that any one of them will admit our manufactures duty free? On the contrary, Protection to native industry is more firmly established as a great universal rule of internal polity than any other, and wherever democratic principles extend this principle will intensify.

The operative class are told to wait patiently, in other words to continue without work, till foreign nations have the good sense or the generosity to open their ports to our goods!

But is it likely that an unemployed starving multitude will wait patiently under such circumstances? and is there any reason for supposing them such dolts to wait for the mountain to come to them when they see it steadily moving in the opposite direction? Is it not more natural they should follow it, and if they cannot get Free Trade that they should return to Protection?

Protection is as firmly drawn around all the native industries of Europe and America as it was twenty years ago, and generations will elapse before there is any sensible move in the opposite direction. If the English operative class are to wait till universal Free Trade over spreads the world, England must be turned into a Sleepy Hollow to be awakened every hundred years to see how foreigners are learning their duty to their neighbors as well as to themselves. But patience is not the only Christian virtue that is pressed upon the operative class. The Liberal press are kind enough to point out another way in which they can recover lost ground: they must turn over an entirely new leaf, they must be good children, sober, economical, laborious, and must do their work so nicely and so cheaply that they will be able to snap their fingers at the foreign competition at home, and knock the foreigners out

* "American manufactures are now increasing with great rapidity under the encouragement they receive, and this will probably cause imports to fall off in a few years. Manufactures are being diffused all over the country."—*President Grant's Address, Dec. 1869.*

of their own markets abroad, even though saddled with *ad valorem* duty of 15 or 30 per cent.

It is sheer stupidity to scold the manufacturing classes for wishing to return to Protection to native industry. They have been deceived, or, at any rate, mistaken in the advantages they expected to derive from what is called Free Trade, and it is the most natural desire in the world for them to wish to return to Protection. The manufacturing and operative classes adopted Free Trade because they believed it would benefit them especially. They did not care twopence for what are called the "great principles" of the movement; and certainly nothing was further from their idea than that it would advance the special interests of other classes of the community at the expense of their own. They were assured the balance of advantages would be entirely in their favor at the expense of the rich. They find out now after a trial of twenty years that it is exactly the reverse, and they wish to change it. One-sided Free Trade has proved to be one-sided legislation for the benefit of one class at the expense of the other: *for* the consumer and *against* the producer. The promoters of the present commercial policy honestly believed they would benefit the poor at the expense of the rich, though how on earth they reasoned themselves into this conclusion I cannot conceive; they have benefited the rich at the expense of the poor.

There is not one single manufactured article whose free admission into this country directly or indirectly or in the most remote degree benefits the working classes; on the contrary, every manufactured article admitted duty free more or less supplants some similar article of British industry. It could never have been the belief of the promoters of this policy that the British operatives would be benefited by articles of their own industries being replaced in their own markets by foreign ones; on the contrary, they believed that English articles would replace foreign articles in most of the markets of the world. That for one article of British manufacture replaced by foreign manufacture at home twenty foreign articles would be replaced by British manufactures abroad. Those were the arguments and that was the belief of the promoters of Free Trade; their belief was founded on reciprocity, that others would do to us as we had done by them, that as we opened our ports to them so they would open theirs to us; that

their expectations would have been realized if Free Trade had been universally adopted is quite possible; but unfortunately it has not; foreign nations are in no way or degree inclined to reciprocate our liberality; on the contrary, they laugh at us for being so improvident as to give away everything we had without having secured anything in return.

Few people are aware how this feeling in favor of protection to native industry is spreading among the working classes all through the country. The whole press is dead against them,* and their self-appointed leaders in Parlia-

* It is very remarkable what a different line the American journals take on this question. The following is an extract from the *New York Times* of September or October 2, 1869, commenting on Mr. John Bright's cavalier way of responding to the cry of Reciprocity: "His explanation of the phenomenon is, that those restless spirits of evil, the Tories, are at their old tricks. We have looked over the English Tory journals without finding any trace of the malevolent tuition said to be going on. The Tories seem to be very much inclined to let this question take its own course. The relapse has been caused by the great and general distress which exists in English manufacturing districts—a distress which is felt every hour in the homes of the workmen, and for which Mr. Bright himself is unable to suggest a remedy. A force is at work far greater than that of Tory arguments—the force of hunger. Mr. Bright cannot show, as he once could, that the workmen's sufferings are the inevitable consequence of the national commerce being controlled by Tory principles. Free Trade is established, and Toryism is powerless. Still the working classes are crying for bread.

"Mr. Bright is not of the despairing sort, and consequently he deals with the crisis in a white heat of rage. He has ordered the Protectionists to stand aside, and he has labelled them 'knaves'—with a mental reservation, we trust, in favor of the Republican party here. People who believe in Protectionist theories he denounces as 'simpletons.' This is all pleasant and easy enough—but what comes next?

"Here is a solid fact which stares the English operatives in the face: The goods they make are not admitted into other countries without heavy duties. But goods of the same kind are allowed to come into England without restrictions of any kind. The world says, 'We will sell England anything she likes, but we do not care to admit her to competition in our markets.' This is what Mr. Disraeli would call a 'one-sided reciprocity.' The workmen of Great Britain do not flourish under it. They say, 'Pray let us have Free Trade all round, or not at all. If foreign Governments prohibit our work going into their countries, let our Government protect us in the same way. America is Protectionist, and see how she flourishes! The working men there are better off than we are. Mr. Bright has himself told us that the Americans are the happiest and most prosperous people in the world. Why not, then, give us the same commercial polity?' It is no answer for Mr. Bright to turn round and

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ment are pledged to an opposite policy; but still the agitation spreads and will continue to do so till the present miserable policy is wiped away.

What is to prevent the operative class making themselves heard on this subject? The last people to deny them the right of using their newly acquired political power are those who urged them at all risk and cost to demand it.

Protection to native industry is a question that more directly affects the operative class than any other in the community; who can deny their right to canvass it, and if they think right to call for its repeal?

The working classes have been enfranchised, they have been urged to think and speak for themselves, and it is very probable the first use they will make of this liberty will be to protect themselves and to tear to threads the "puerile doctrines and illusions"* of their teachers, and return to the fine old national good sense. Even now, I believe that the most ordinary speaker who would condescend to stump any manufacturing borough or county on the cry of Protection to Native Industry would carry it against Mr. Bright himself. Trade Unions have hitherto had for their object the protection of workmen from each other and from their employers, soon they will seek to protect themselves and their employers against unfair foreign competition.

say, 'Ye simpletons! What is good for an American would not be good for you.' The operatives see plainly enough that duties on imported manufactures would at least give them the command of the home market. At present the American and the Frenchman have decidedly the best of the English workmen at home and abroad.

"There is evidently work in store for the Liberal party in England of which they little dreamed. The working classes hold the balance of power. Suppose they elect a Protectionist Parliament a few years hence? They *could* do it; and if their condition does not improve, there is no guarantee that they *will* not. Their trades unions are all based upon the principle of Protection. They find the system work well for their own interests. If at any time they wish to extend it to the national commerce, who or what is to prevent them?"

* *Vide* M. Thiers' speech on Commercial Treaty.

CHAPTER XII.

CAUSES AND REMEDIES.

I BELIEVE it is universally allowed that the present increase of pauperism, crime and rowdiness generally, throughout the country, has two chief causes—want of work: and the ruinous extravagance of the working classes in the matter of drink.

It is not likely that in these days of political quacks and vendors of patent state medicines, suggestions should be wanting for the cure of these complaints.

The following remedies have each their ardent admirers, who each anticipate immediate improvement from their application: for the former—

1. Reform of the Land Laws.
2. Extension of Free Trade.
3. Emigration.
4. Co-operation.
5. Public Retrenchment.

For the latter—

1. Education.
2. Permissive Bill.
3. Sunday Closing.

Let us consider very cursorily these suggestions in the order named.

1. Reform of the Land Laws.

It is quite an open question whether land has not accumulated too much in the hands of a comparatively small number of proprietors, and whether a more general distribution of it would not be of advantage to the community: but, unless we are prepared for a thorough revolution that with fire, sword, and desolation will shatter at once the rights of property and the landmarks of society, I see no possible way in which the operative class can derive any immediate advantage from legislation on the subject.

Any constitutional change in the desired direction must be very gradual, the work of a generation at least: Parliament may alter the laws of entail and primogeniture, but

public feeling will for some time maintain them in their present form.

Owners of land will continue to leave the bulk of their landed estates to their eldest sons as long as they have any option in the matter: at present they know that if they die intestate, the country makes this disposition of their property, and therefore they are less particular in all cases in making their wills; but once let the law be altered and the landed property of those who die intestate be divided amongst their heirs, and every land owner in the kingdom will make his will and tie up his land.

At present there is no law to compel a man to leave his landed estates to his eldest son; but nearly all do it, and will continue to do so till a law is passed that will prevent their doing it; and I suppose our most philosophical radicals are hardly yet prepared for such a confiscation of the rights of property. Any law that is applied to the compulsory division of land, must very soon extend to the compulsory division of property of all kinds. Once begin to divide and the division must be universal. This general division may come, and may be continued till there is nothing left to divide; but I don't think it will come just yet; the most radical reform of the Land laws *yet* suggested could not possibly have any *immediate* effect on the condition of the operative class.

2. Extension of Free Trade.

If there was any possibility of such a desirable crowning of the edifice, it would be worth waiting for; but unfortunately there is not the most distant prospect of it. On the contrary, the tendency of every manufacturing community is to draw the bonds of Protection to native industry tighter and tighter: this is especially remarkable in those countries where democratic principles prevail: there is not the faintest sign of any tendency to relax Protection in any manufacturing community in Europe or America. The American President, in his Address, congratulates the people on the stimulus Protection has given to native industries. The French are already retracing the timid steps they took in the direction of Free Trade, and from every industrial nation comes up the same cry, Protection to native industry; to tell the operative class their only hopes of an improved condition lie in the adoption of perfect Free Trade by foreign countries is to remit it to the Greek Kalends.

3. Emigration.

For the individual working man, I can fancy nothing so attractive in every respect as emigration to America or Australia: if I were a young working man, I would go there to-morrow: but for the community generally, and the operative community in particular to assist any organized systematic emigration of skilled hands to competing countries, I consider little short of madness. The reputation a country earns in the world's markets for the quality of any particular industry, is not the result of individual, so much as of the associated skill of the workpeople: the more world-wide this reputation, the larger the work and profit that will fall to the operative class enjoying it: it is their direct and most immediate interest to increase their national reputation for superiority in any industry, and to do this, they must increase to the utmost their associated skill and excellence. The withdrawal of any skilled hand weakens to a certain extent this associated excellence, and by-degrees lessens the national reputation the country has enjoyed: this is especially the case where skilled workmen take their skill and excellence to other communities just awakening into industrial life—for not only is the industrial vitality of their own country weakened by their secession, but that of the country they adopt quickened by their accession.

There is another reason why the emigration of skilled hands is injurious to a manufacturing community, but unfortunately, it is the reason that more than any operates with the working class as an inducement to encourage it; and that is the effect it has upon wages.

The great difficulty our operative class have in meeting foreign competition, is the fact that they cannot or do not work at such low wages as foreign operatives can do.

The emigration of skilled hands has a tendency to raise the wages of those who remain; this is very attractive to the operative; but what is the use of his wages rising, if his work goes elsewhere? Unless native industry receives some protection, wages in England *must* go down; to do anything to increase them in the face of unrestricted foreign competition is merely to drive the work out of the country.

The emigration of skilled hands tends to raise the wages of those who remain, but it also tends to increase their burden, and the burden of the community generally, by increasing the proportion of the idle and inefficient who are left behind.

If emigration was confined to our pauper and criminal population, or even if it included a fair proportion of them, I should think differently: emigration is confined entirely to the skilled hard-working operative, and does not include a single pauper, criminal or casual. It is madness for a country so overloaded already with a pauper helpless population to encourage the emigration of the hard-working and industrious class: to get rid of the workers who bring money into the country, and to retain the idlers who consume it, is the most ruinous and short-sighted of policies.

The skilled artisan emigrates to America or Australia, where his skill and labor are protected: if Protection to his labor is necessary, let us bring it to him here instead of sending him to find it elsewhere. With our taxation, pauperism and other burdens, we want to increase in every possible way our national earnings: we want to increase to the utmost the associated excellence of our operatives: we want to increase our renown for excellence in industrial products: to do this, we want to keep with us all our skilled artisans; to increase their number if possible.

The Government and the community generally would be acting far more sensibly in trying to foster industries and to create work at home, than in encouraging our best artisans to make work and create industries abroad. There must be something very wrong in our industrial condition when our operative class are ready to forswear the ties of home and country, and desert the land of cheap coal and iron, the very sinews of their craft, for distant regions where these articles must be brought to them at double the cost.

4. Co-operation is the little Benjamin of a certain school of political economists: the last-born of the most advanced school of theorists—its claim to the support of the operative class is that it will do away entirely with the incubus of masters, and that it will largely increase wages: nothing of course can be more attractive, but unfortunately wages in England are already too high to stand foreign competition: when operatives become manufacturers, the men masters, which is the tendency of co-operation, how long shall we have to wait before Free Trade is replaced by Prohibition?

Co-operation is a theory: no class in the community is yet prepared for it: and even if fraught with boundless blessings to the operative class, it must be the result of a very

gradual change, and many years must elapse before it becomes general.

5. Public retrenchment.

To my mind it is the most original idea possible to try public retrenchment as a remedy for the want of work, and the consequent distress that exists amongst the working classes! Public retrenchment, in plain words, means that the Government, the great employer of labor in the country, is going to shut up its works and reduce the number of workmen it employs; so many soldiers and sailors, dockyard hands, laborers, artisans of all descriptions are to be discharged and thrown out of work. Of course this may be of an advantage to the tax-payers, to those who find the wages for all these workmen, but what possible advantage can it be to the working classes? They do not pay taxes, they do not contribute anything to the wages paid by the Government, but, on the contrary, they receive it all. It is really treating the operative class generally like a pack of noodles to go to them, and say, how thankful you ought to be to us for our economy, and what we have done for you; we have discharged 10,000 sailors, 10,000 soldiers, 20,000 or 30,000 dockyard and arsenal operatives, and we have not done yet! we hope to get rid of ever so many thousands more. They might address this nonsense to the tax-payers, but to found a claim on it to the gratitude of the working classes is too funny.

Why every soldier, or sailor, or operative, artisan, laborer, or whatever he is, discharged by the Government is essentially in every sense of the word a working man; and every one so discharged must either find other work, or emigrate, or come upon the parish. I do not know whether our army and navy, and our other public establishments were really in such a diseased condition that immediate application of the knife and the cautery were necessary, the moment our present Government came into office; but if so, one cannot help remarking that the very same doctors who are now using such violent remedies are the very same who have had almost unintermittent charge of the patient for many years; but this I *do* know that there is a time for all things, and that the worst possible time for the Government, which is the largest, and should be the most liberal employer of labor in the country, to discharge a vast number of hands was, in the beginning of winter, when every trade was paralyzed, when every

workhouse was glutted, poverty and starvation stalking through the streets, and work impossible to get.

I remember perfectly well during the cotton famine, how severely a few employers of labor in Lancashire were handled because they reduced their hands when bad times came. They were told that after profiting largely by the work of their operatives, it was unjust, unfair, mean, impolitic, &c. &c., to discharge them the moment they felt the pressure of bad times.

Now this abuse of the Lancashire masters might be perfectly well deserved, but the present Government deserve it ten times more; and whatever opprobrium was incurred by the Lancashire employers of labor who discharged their hands during the cotton famine must be shared by the Government employers of labor who recklessly, heartlessly, and as many think, most unnecessarily and injuriously for the country, discharged their hands during the present universal labor famine.

Of course it is the nature of new brooms to sweep clean; but our present, economical reformers have not even that excuse; they are not new brooms, they have merely taken up the old mop again, that has been pretty constantly in their hands for the last twenty years: during this lengthened period of almost uninterrupted service, they have, by their own showing, done their work badly; they have allowed a vast amount of rubbish to accumulate, and now with a display of guilelessness and indignation that is imitable, they affect to be horrified at its existence, as if it was the deposit of some one else. The Government are sweeping away right and left, but they are merely sweeping away the rubbish they placed there themselves or countenanced others in placing there.

This is not a time to discuss the question whether the tax-payers gain by this sudden spasmodic economy; but it is quite certain the working classes do not: and it is quite certain that in order to fulfil pledges that should never have been given, and but for party motives would never have been given, and to create personal reputations for good administration, the Government, and through them the public, have set an example of harshness, penury and indifference to generosity and even justness in the treatment of their workpeople, that no private employers of labor in the country could have done, even had they been so disposed. Does any one suppose such treatment

as the workpeople have endured at Woolwich, Deptford, and are threatened with everywhere, could have been carried out by any private firm without strikes, or in the face of public opinion? Government police of course kept order in Government workshops: but there is still the fact that a Liberal Government, the People's Government as it is called, have proved themselves the hardest and most heartless of employers.

Retrenchment, as far as it has yet gone, enables the taxpayers to retain in their pockets so many thousands a-year that have hitherto been going into the pockets of the working classes; they save their money: the working man loses his work: but as probably in these days he can find no work, and is obliged to go to the workhouse, the taxpayer has to keep him after all.

I think it will be allowed that neither of the five remedies discussed, especially the latter, offers any *immediate* promise of increased employment for the operative class.

The remedies proposed for the ruinous extravagance of the working classes in the matter of drink, with all its attendant miseries, pauperism, crime, and insanity, with their costly means of maintenance and repression, are—Education. A Permissive Bill to limit the number of public houses. Sunday closing.

Nobody can doubt the advantages* of education: if anything can arrest the frightful increase of intoxication it must be that; but, unfortunately, its effect must necessarily be gradual, slow; you may pass an Education Bill to-morrow, and drive all the children from the age of six to fourteen at the pen's point to school, but this, alas, will not affect the present generation of drunkards, it will not check the present wild career of bestial intoxication that degrades the country. The next generation will show its effects no doubt. We want some remedy for the present.

A Permissive Bill, or any other legislation that renders drinking difficult and expensive, that diminishes the number and extent of the temptations constantly present to the working classes, must do good: the question is whether such treatment is sufficiently vigorous. The disease is so virulent, so fatal, so contagious, that instant, decided mea-

* At the last meeting of the Manchester Statistical Society, Mr. Bremner stated that it was proved by statistics that in Manchester the proportion of the educated was not greater now than in 1839, and yet during that period trade had expanded, vast mills had been erected, and towns and new populations had sprung up.

asures are required to mitigate or arrest it. I would support a Permissive Bill certainly, but I would try for a good deal more. Sunday closing is a miserable, half-hearted, narrow-minded measure; the most it could effect would be to mitigate the symptoms: it could not touch the disease. In my opinion it would irritate the working classes, without in any degree deterring them from indulging in excess.

Our Sabbatarians are not prepared to sanction such an institution of a Sabbath as would alone make compulsory closing of public houses tolerable: if they are prepared to change the Sabbath from a day openly and unblushingly given up to sottish, stupid idleness, to one of healthy cheerful recreation, and rational enjoyment, they might then close the public houses; but indeed it would not be necessary, the people would not go there even if they were open. At present the thirty-six hours, from Saturday evening to Monday morning, are the most debauched and degraded in the week. We are told it is because the public houses are open, but the public houses are equally open during the remainder of the week. The working classes drink more, soak more on Saturday nights and Sundays, because they are more idle and have more money to spend. They have the earnings of the week in their pockets, and they have nothing to do with them; no amusement to distract, no work to occupy them; what can they do? If they go anywhere they must go to the public house, and if they go to the public house they must drink.

Close the public houses, say the temperance enthusiasts, but if you do so it will only result in Sunday drinking at home, as in Scotland. You cannot drive the drunkard from his drink; you cannot prevent the idler craving for his drink; but you can distract the one, and occupy the other. Instead of closing public houses, I believe the more reasonable cure for the present condition of affairs would be to open every place of amusement and recreation of every sort and kind, theatres, museums, galleries, gardens, anything and everything that can tempt the drunkard away from his besetting sin. The "*bitter*" observance of the Sabbath has been thoroughly tried in England, and can any unprejudiced man deny that it is a hideous failure? can anything be said in support of a system that has made the Sabbath the most blackguard and drunken day in the week? but such our police reports, and the statistics of

those who seek to make its observance more bitter still prove it undeniably to be.

Will any one short of a fanatic be inclined to maintain that a Sunday such as prevails throughout the manufacturing districts and large towns of England—a day of drunkenness and idleness—is better than a day of cheerful recreation and enjoyment, such as we see it everywhere else in the world? Has our mode of observing the Sabbath made us more sober, more moral, more civilized, or has it had the contrary effect? Is the Sabbath a day of rest and quiet and innocent enjoyment, or is it the culminating point of one week's drunkenness, the commencement of another?

It is, I believe, acknowledged that 90 per cent. at least of all our crime, pauperism, and insanity are caused directly or indirectly by drink.* Leaving the cost of Police out of the question, crime, pauperism, and insanity cost the tax-payers 30 millions sterling per annum. In 1867, 100 millions were expended in intoxicating liquors; and 14 millions sterling worth of grain was wasted in the manufacture of intoxicating drinks.

So that in 1867 drink and its attendant horrors cost the country 144 millions sterling; and if we add to this the moral degradation to the community of maintaining 1,000,000 of paupers in idleness, 100,000 criminals in gaol, 400,000 indulging in criminality at large, of 1½ millions of occasional drunkards, and 600,000 habitual ones; I think there are few but must acknowledge that some sweeping reform is necessary.

The people cannot take care of themselves in this matter

* See a little tract published by the Manchester and Ripon Diocesan Temperance Reformation Society, at end of pamphlet.

Mr. C. Buxton, Brewer, says—"Were it not for this one cause (strong drink) pauperism would be nearly extinguished." *Vide* Tract.

Mr. Buxton is one of our most indefatigable Reformers: he is always ready with a plan for reforming anything and everything—Jamaica, Ireland, the City of London, Education, are all the same to him. Is it not a pity he does not begin at home, and reform his own beer? "The man who could succeed in introducing and bringing into general consumption in England a mild, brisk, palatable beer, such as is drunk on the Continent (at 1*d.* per quart), instead of the strong, thick, flat rubbish which is here consumed (at 5*d.* per quart), would, I am convinced, do more good in the cause of sobriety than all that has yet been accomplished by the zealous, self-denying advocates of Teetotalism and of repressive legislation."—*Vide* "The German Working Man," by James Samuelson.

of drink : they are like children, they cannot resist temptation when it presents itself. The immediate and evident effect of this disease is to deteriorate the race, to lessen its vigor, intelligence, energy, enterprise, endurance ; to increase immensely the taxation of the country, to waste the supply of food, to diminish daily the proportion of the industrious and well-disposed, and to add to the number of the vicious, the idle, and the dangerous classes.

When the Government wish to increase the consumption of any article that is beneficial to the community, they reduce the duties on its free admission ; when they wish to reduce the consumption of any article that is dangerous and injurious, they tax it still higher. This is what should be done with drink in this country. In its present excess it is poison, simply poison, of the most fatal and calamitous kind. Opium never caused a tenth part of the crime and misery in China and India that alcohol has caused and is causing amongst us now. I would at once double the Customs and Excise duties on spirits, and increase the cost of spirit licenses. The effect of this would be to make drinking very much more expensive, and to reduce the consumption, and to add largely to the revenue of the country. It is perfectly sound and legitimate policy to tax a nation's vices to the utmost degree, to make of their beastly vices rods to scourge them with. There would be this evident advantage in this policy ; the tax would fall directly on those who ought to pay it, viz., on those who drink : they would pay ; the temperate and sober would not feel it ; you may call it a tax on drink, it would in reality be a tax on drunkards, and can there be a better or more reasonable one ? The drunkard is now taxed five shillings and the costs, generally five or six shillings more for being drunk ; it would be far better for him and for the community to tax his drink a shilling or two, so that he could not afford to drink so much. I believe this is the only immediate way of treating the disease. Make the poison that is destroying the nation as dear as possible, so that fewer may be able to afford it at all, and those few less of it.

The ostensible argument against increasing the duties on spirits and against Customs duties generally, is that it would encourage smuggling and adulteration : the real reason that staggers and deters any public man from taking any active part in the repression of the sale of drinks, is the sure and certain and determined hostility of the owners

of the 152,000 drinking shops and their 350,000 occupiers!* This is the real difficulty, and makes useful legislation almost impossible. No Government, no Minister—not even the present choice of the people himself—could stand for a day against the immeasurable power of the beer and spirit trades. It really appears as if this monster of our own creating would devour us. The fear of increased adulteration need not deter us from taxing drink: do what we may that cannot well be increased: the worst adulteration is practised amongst the smaller public-houses and beer-shops: if the price of spirits was increased, many, if not most of these, would disappear; if the punishment for adulterating spirits was as severe as that for smuggling, it would soon disappear. No doubt it is a misfortune to increase the inducements to smuggling, to add to the temptations to break the law; but still it is undeniably better for the community that a few dozen adventurous lawbreakers should be imprisoned than that millions should be debauched and degraded.

As the most immediate remedies for the present condition of affairs, I should propose the following alterations in our fiscal arrangements.

1. I would admit duty free all articles of food whatever, of every kind and description, and all raw materials used in manufactures or agriculture.

2. I would impose an *ad valorem* duty of from 7 to 15 per cent. on all Foreign manufactured articles.

3. I would double the Excise and Customs' duties on wine and spirits, on spirit licenses, and on intoxicating drinks of all kind.

In carrying out this plan, the following Customs' duties would be entirely repealed.

I take the return for 1869 :—

Sugar and molasses,	£5,504,068
Tea,	2,595,357
Coffee,	353,612

Tobacco is not necessary like tea, sugar and coffee, but it is one of the greatest solaces of industrial life: it possesses the soothing effect of moderate drinking without the maddening degrading results of excess. The duty on tobacco, therefore, should be reduced one-half, or 3,248,256

Total Customs' reduction, £11,700,293

It is very difficult to say what would be the amount of an *ad valorem* duty of 12 per cent. on all Foreign manufactured articles. The actual diminution in Customs' duties from 1854 to 1868 was £8,932,417, and considering the vast increase of money, and of the taste for foreign goods, I should say this duty might fairly be calculated to yield £10,000,000 sterling—probably a great deal more. The following Customs' and Excise duties would be doubled:—

	PRESENT DUTY.	INCREASE.
Customs' duties on wine,	£1,521,397	£1,521,397
Ditto, on foreign and colonial spirits,	4,350,870	4,350,870
Excise duty on spirits,	10,556,218	10,556,218
		<hr/>
		£16,428,485
Add to this, Customs' duties on Foreign manufactures,		<hr/>
		10,000,000
		<hr/>
Total increase of Customs' and Excise duties,		£26,428,485
Less Customs' duties decreased,		£11,700,293
		<hr/>
Total increase,		£14,728,192

But as I should hope and believe that the additional tax on wine and spirits would diminish its consumption at least 25 per cent. this increase would be reduced by 5 or 6 millions sterling—if more, so much the better.

An increased tax on drink must reduce the consumption immensely; the present consumption is 100 millions sterling, with an additional 50 millions expended in repressing its effects: a diminution of 25 per cent. in the drinking capacity of the nation would directly or indirectly effect a saving of 40 millions to the community. It would moreover save 25 per cent. of pauperism, of crime, of blackguardism: and would in every possible way advance our moral and social condition. That any legislation will prevent Englishmen of a certain class drinking to excess when drink is cheap, I deny: the only way to prevent it, is to make it so dear that they cannot afford to drink to excess.

The effects of an *ad valorem* duty of 12 per cent. on foreign manufactures would be to give a great impetus to the manufacture and sale of our own: English silks, merinos, fine cotton and linen goods, millinery, lace, and a score of other articles of luxury that are gradually being

monopolized by foreign manufacturers, would return into consumption in this country, and afford occupation to thousands upon thousands of present idlers.

In a country like England, where the two extremities of the social scale are so far apart, where the rich are so rich, and the poor so poor, it ought to be the object of the Government to legislate, as far as can be done with justice and with fairness, to reduce this gap. The labor of the poor ought to be protected, even though it causes some slight inconvenience to the rich—the weight of taxation should fall heavier on the luxuries of the rich than on the necessities of the poor.

Nobody proposes that the *ad valorem* duties should be so high as to approach prohibition; they should either correspond in amount to those levied by other countries on our goods, "reciprocal" in fact; or they should be merely such as would give the British consumer an inducement, a slight advantage in preferring the British to the foreign article, and thus secure a preferential labor market for the British producer.

"In the freest country," says M. Thiers, in his great speech of January 22, 1870, "arrangements are made to Protect the different branches of native industry." The English Government is the only one in the world that has so neglected the interests and rights of her producers, and a remedy for this injustice is all the most advanced Protectionists of the present day desire.

Theory and Quixotry aside, the first and greatest duty of a Government that watches over the interests of all classes of the community is to find employment for the masses. I say the first duty, and it far exceeds in importance any other. Government cannot create artificial work, but it can stimulate, foster, and Protect all the national industries of the country.

The chief duties of all Governments are to secure to the people they govern the cheapest and most plentiful supply of all the articles necessary to their comfort and progress, and to the development of their industries; to foster and Protect in every possible way the demand for home labor and the consumption of home industries, and so to restrain public morals that the indulgence of vice may be made difficult and expensive, and the public guarded from unnecessary temptation.

This is what I understand by good Government. Our

practice for the last twenty years has been the reverse of this; we have neglected entirely our own industries, and told the operatives to look out for themselves, to expect no help, no countenance from Government; that if they cannot find work, they must do without or leave the country, and on the other hand, we have stimulated and fostered in every possible way foreign competition. Instead of attempting to restrain the national vice by making drinking difficult and expensive, we have gone on the entirely opposite principle, and made it as cheap and easy as possible. Free Traders have ridden their hobby to death, and by introducing what is called Free Trade in public houses, which means, granting a license to every one who applies for it, have multiplied incalculably the evils and temptations of drink. Whether this policy is wise and reasonable, or whether it is not stupid, unjust, and suicidal, the present condition of the manufacturing population and manufacturing industries in this country I think clearly shows.

THE WORSTED TRADE AND THE FRENCH TREATY.

(Extract from the Times, January, 1870.)

A special meeting of the Bradford Chamber of Commerce was held yesterday in that town, for the purpose of considering the present position of the French Treaty, and the measures which it may be expedient to adopt in the interest of the trade. There was a large attendance, and among those present were Lord Frederick Cavendish, M. P., and Mr. Alfred Illingworth, M. P. Mr. Jacob Behrens presided.

The question was discussed at great length, and the opinion of the meeting was strongly in favor of the maintenance of a free trade policy. The vote of reciprocity was very faint. Memorials to the Foreign Office and the Board of Trade were unanimously adopted. The memorial, read by Mr. Darlington, the secretary, was of great length. The memorialists showed—1. That, as regards the worsted trade, the Treaty had been more favorable to France than England; 2. The injurious effect of the existing tariff upon the industry of both countries; and 3. The necessity of a thorough revision of the Treaty tariff in a liberal spirit. It then proceeded. The worsted trade of France being in a great measure concentrated within the district of Roubaix, as that of England is in the neighborhood of Bradford, the data to which reference is made will be principally taken from the statistics of these two towns. The memorial then points to the rapid growth and prosperity of Roubaix, as showing that it had benefited from the removal of the old prohibitive system. The manufacturers there had conformed to the altered conditions of trade, and instead of having a sale only in French markets, they now extended their operations to all parts of the world. This, the memorial proceeds, will be patent from the fact that in 1858 Roubaix possessed almost 1000 power-looms, whereas in 1867 the number was estimated at 15,000. While in Bradford, on account of the high rate of wages, it has been found necessary to discontinue the use of hand-looms, at Roubaix hand-looms are still employed. The power-looms at work in Roubaix are of the newest construction, and are equal to the best of those working in Bradford, and the French report on the Exhibition of 1867 states that the result of this new machinery has been to increase the exports of mixed stuffs to England alone from 10,776,000*l.* in 1861 to 37,549,000*l.* in 1866; while the total of such goods exported to all parts of the world

was, in 1861, 56,278,000*f.*, and in 1866, 110,126,000*f.* Wages are lower at Roubaix than at Bradford. The earnings of weavers in Roubaix are from 2*f.* to 2*f.* 50*c.* per day, or 10*s.* to 12*s.* per week of 72 hours' work, while they are from 15*s.* to 20*s.* per 60 hours' work at Bradford. The shuttles move as rapidly at Roubaix as they do at Bradford, consequently each weaver ought to do almost 20 per cent. more work at Roubaix than at Bradford. A greater production from the same amount of fixed capital, together with lower wages, must enable the Roubaix manufacturer to produce his tissues much cheaper than his Bradford competitors. The only material required for production which is cheaper at Bradford than at Roubaix is fuel. Here the cost of coal is about 7*s.* per ton, and it is said to be somewhat higher at Roubaix; but as the whole expense for fuel for weaving a piece of Orleans cloth worth 32*s.* is only 1 $\frac{1}{8}$ *d.*, the advantage which Bradford possesses in this respect is not worth mentioning. The natural taste of the French, combined with the daily intercourse of the Roubaix manufacturers with Paris, gives to Roubaix a monopoly in the production of fancy dress goods. The command which Roubaix manufacturers have over power and hand looms enables them to produce not only the same articles as Bradford, but many others which cannot be made here at all. The manufacture of reps, furniture stuff, and pure wool goods has thus been abandoned in Bradford, but remains a very important item in the trade of Roubaix. The exports from France to England of mixed stuffs were, in 1868, 17,171,385*f.*, and of stuffs of various kinds, 23,546,580*f.*; against which the importations of mixed stuffs into France from England were 32,566,895*f.* In this mixed goods of all kinds are included, and it is believed that 25,000,000*f.* is the value of the worsted stuffs. It would be a mistake to consider the exports of various stuffs as the only articles in which France competes with Bradford. Of the 27,658,348*f.* worth of merinos which France exported in 1868, England alone took 20,737,946*f.* worth. If we were to keep a debtor and creditor account, taking even the whole of the stuffs exported as going into consumption in France, the account would stand thus: Exports from France to England, 61,455,911*f.*; exports from England to France, 32,566,895*f.*; excess in favor of France, 28,889,016*f.* in worsted goods alone. On a comparison of the whole articles imported and exported by France from and to England, there is a balance in favor of France of £23,233,593, or 580,839,825*f.*; and yet notwithstanding these facts and figures, the manufacturers of Roubaix and other towns are clamorous for more protection. The protection now given to the French manufacturer on goods similar to those produced in this district is 10 per cent. *ad valorem* if wool, and 15 per cent. if cotton predominates. The duty of 10 per cent. if levied under the pretence of protection to active industry is excessive,

for it amounts to 3s. on a piece of stuffs worth 30s., and the wages for such a piece vary from 2s. 4d. to 3s., according to the value of material used. The possession of the bright long-stapled wool which, grown in Yorkshire, enables Bradford manufacturers to produce a variety of articles well adapted to the requirements of France, shows that, notwithstanding the 10 per cent. duty, a certainly not large, and by no means increasing, quantity of these articles was sold in France. But the sale of the heavy and cheap articles containing more cotton than wool is almost entirely prevented by the 5 per cent. additional duty. The small quantity of such goods which is actually imported into France affords no criterion for estimating the amount which would be taken if an unreasonable tariff did not impose the higher duty upon the cheapest article. The great mass of the lower and middle classes of French women are thus deprived of a cheap, warm, and most useful material of clothing, which is peculiarly adapted to their tastes and to the climate of France. Having thus far dwelt upon the disadvantages under which the manufacturers of Bradford labor in consequence of an onerous tariff, it must be allowed that the manufacturers of France have reason to complain of another part of the same tariff which imposes a duty on the importation of yarns. That duty represents in many cases from 66 $\frac{2}{3}$ to 75 per cent. of the cost of converting the combed wool into yarn; and on several articles of mixed stuffs the duty on cotton warp and worsted weft together amounted to 7 $\frac{1}{2}$ and 8 $\frac{1}{2}$ per cent. of the whole cost of the piece. The manufacturers of Roubaix have thus been obliged to abandon the production of this kind of tissues on account of the duty. That the worsted spinners of France require no protection is best shown by the fact that the number of spindles at work, which was estimated at 1,300,000 in 1862, was believed to be 1,750,000 in 1867, and that the exports of worsted yarns, which amounted in 1861 to 502,593 kilogrammes, value 6,562,593f., had increased in 1866 to 1,542,445 kilogrammes, of the value of 22,906,460f., an increase of 250 per cent. Some of the largest establishments at Roubaix state with just pride that they are almost exclusively working for the English market. The duty of wool has, therefore, no justification whatever, and if it may have been expedient to improve it for a certain time as a means of allowing the manufacturing interest to adapt itself to the more natural order of things, the above-mentioned facts prove that French industry has long since outgrown the necessity of special State support. The memorialists venture to hope that the duties on yarns as well as on piece-goods will alike be abolished by France; or, if another step towards Free Trade be deemed more expedient by her legislature, that the duty on all kinds of wool goods, with or without admixture of cotton, be not above 5 per cent. *ad valorem* for a few years longer, as the last step towards entire abolition.

*Manchester, Chester, and Ripon Diocesan Temperance
Reformation Society.*

INTOXICATING LIQUOR THE NATIONAL CURSE.

1. *Destruction of Grain.*—8,000,000 quarters of grain are annually destroyed in the manufacture of intoxicating liquors in this country.

This grain would produce 9,000,000 of sacks of flour. Each sack will produce 94 4-pound loaves. This sum, multiplied by nine, gives us 846,000,000 of 4-pound loaves; a quantity sufficient to furnish each individual in the world with a loaf, or three loaves every week to each family in the United Kingdom.

2. *Quantity of Liquor consumed.*—100,000,000 of gallons of intoxicating liquors are annually consumed.

This would make a river 3 feet deep, 36 feet wide, and 168 miles long; a body of liquor capable of floating the entire British fleet. Manchester consumes 15,000,000 of gallons annually.

3. *Sabbath Profanation.*—40,000 persons are regularly compelled to break the Sabbath to attend to the manufacture of these liquors; 250,000 regularly retail these liquors every Sunday.

4. *Number of Drinking Temptations in England and Wales.*—Of 152,000 drink-shops, 90,000 are public houses and 62,000 beerhouses. This is exclusive of the thousands of grocers and other shopkeepers who sell for consumption *off* the premises.

This number of 152,000 is equal to one house for the sale of intoxicants to every 31 other houses; or it is equal to one drink-shop to every 46 males above 15 years of age; or one drink-shop to every 137 men, women, and children.

If we allow each of these drinking-houses to have on an average a frontage of ten yards, they would form a row of upwards of 850 miles long; or they would make two complete streets, each extending from Manchester to London.

The host of dealers in strong drink is 350,000.

Lancashire . . .	has 2702 public houses and 4170 beershops.			
Cheshire	978	"	"	933
West Riding of York-				
shire	2396	"	"	1804
Manchester	482	"	"	2070
Liverpool	1926	"	"	736
Chester	166	"	"	109
Birkenhead	110	"	"	176
Macclesfield	135	"	"	57
Bolton	123	"	"	305
Leeds	374	"	"	680
Bradford	143	"	"	544
Halifax	101	"	"	176
Blackburn	207	"	"	312
Huddersfield	86	"	"	84
Oldham	165	"	"	244
Stockport	136	"	"	130

5. *Expenditure on Intoxicating Liquors.*—In 1867 the expenditure was £100,000,000. This is

- (1) About £24,000,000 in excess of the gross public expenditure.
- (2) Five or six times the interest of the national debt.
- (3) One-third the value of all our imports.
- (4) Over half the value of British produce exported.
- (5) Nearly eight times the amount paid into our savings banks.
- (6) Five times the amount of all the railway net receipts.
- (7) Six times the annual ratable value of all the property in the metropolis.
- (8) £1 spent in drink for every 2*d.* contributed to Christian missions.
- (9) Equal to one-eighth of the gross annual income of the people of England; and
- (10) Eighty times the total of the annual incomes of all the charitable and religious institutions which have their headquarters in the British capital.

In Lancashire the annual expenditure is £4,000,000. In Manchester the annual expenditure is £1,400,000; that is £22 9*s.* per hour.

6. *Our Revenue the Price of Blood.*—The revenue derived by government for sanctioning the sale of liquor is £24,000,000.

The machinery required by government to attend to the evils resulting from the use of liquor costs the nation *more than double* the revenue derived from strong drink.

7. *What the Nation pays for the Doings of Drink.*—The annual cost to the nation for the crime, pauperism, disease, loss

of life, time, property, premature death, &c. (saying nothing of the army of 25,000 policemen), is upwards of £50,000,000.

8. *Labor Market affected by Drink*.—1,000,000 more people in the United Kingdom could be employed were the money spent in intoxicating liquors turned into channels for the production of clothing, good food, or any other necessity of life.

In the manufacture of 20s. worth of ale or beer only 1s. 9d. go to the laborer, whereas in the manufacture of silks, blankets, clothes, and articles in general use, 12s. go to the laborer. Taking the amount annually expended only to be £78,259,892 (as given in the Parliamentary report on the Beer bill), this would only employ 136,500 men at £50 per annum, while the same amount spent in other articles in general demand would employ, at the same rate of wages, 983,000 men, or 846,500 more; a number of people equal to the male population of Manchester, Liverpool, Glasgow, Birmingham, Leeds, Edinburgh, Bristol, and Sheffield, all put together.

9. *Drunkenness*.—1,500,000 occasional drunkards, and 600,000 regular habitual drunkards; that is, one out of every fifteen of our population is a drunkard.

The Right Hon. J. W. Henley, M.P. for Oxfordshire, in his place in Parliament, said: "In Lancashire, in 1861, the persons apprehended for drunkenness were 23,900 in number; but in 1867, only six years later, that number had increased to 35,800, out of a total of 64,000 cases over the whole of England; a state of things which, but for the official returns, they could hardly believe."

Captain Palin, Chief Constable of Manchester, says: "In Manchester, in 1868, 9540 persons were taken into custody for drunkenness, 7138 of which were males, and 2402 females. The total number of offences is 19,278."

10. *Crime*.—100,000 criminals are constantly in custody for crime, and there are some 400,000 indulging in criminality at large, making a total of 500,000. Of these 200,000 are prostitutes, and 20,000 children. So that one person in every 60 is a criminal, and in every 300 a prisoner.

Judge Erskine says that 99 cases out of every 100 are caused by drinking.

Rev. M. Wontner says, "99 out of every 100 prisoners that come to Newgate committed their crimes in consequence of intemperance."

The Governor of Canterbury Jail says: "The number of prisoners that have come under my charge during the last fifteen years is 22,000. Among them have been ministers of the gospel, many church members, and many members of pious families, but I have never had one teetotaler in the prison. I believe that 90 or 92 per cent. were cases of crime arising through drinking."

11. *Lunacy*.—43,000 lunatics are in our asylums chargeable to unions, parishes, and counties. From 10,000 to 15,000 others are in private confinement at the expense of their friends; so that one person to every 700 inhabitants is a pauper lunatic.

Lord Shaftesbury, the chairman of the Lunacy Commission, says that six-tenths of the lunacy cases arise from the taking of intoxicating drinks.

12. *Pauperism*.—In England and Wales there are upwards of 1,000,000 paupers, supported at a cost to the nation of nearly £12,000,000; so that we have one pauper to every 20 of the entire population. Nine-tenths of this pauperism arises from drink.

Charles Buxton, Esq., M.P., brewer, says: "Were it not for this one cause (strong drink), pauperism would be nearly extinguished."

13. *Premature Death*.—Upwards of 20,000 inquests are yearly held, mainly owing to strong drink.

The Coroner's Return (935) in Convocation of Canterbury's Report, on Intemperance, says: "A very large proportion of deaths which come under my cognizance as coroner are directly or indirectly the results of intemperance."

It is estimated that 60,000 people are annually slain before their time by the drink; that is, a number twice as great as that which fell on both sides upon the field of Waterloo.

The massacre of human beings is going on all the year round at the rate of one every nine minutes.

The tables of insurance companies show that the average rate of mortality of the drinker is three times that of the abstainer.